



# ***Daily Report***

## **China**

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# Daily Report

## China

FBIS-CHI-90-091

### CONTENTS

10 May 1990

**NOTICE TO READERS:** An \* indicates material not previously disseminated in electronic form.

#### INTERNATIONAL AFFAIRS

##### General

Foreign Ministry Holds Weekly News Briefing .....	1
Opposition to Radio Ship Reiterated [ZHONGGUO XINWEN SHE] .....	1
Ties With SRV, USSR Viewed [Beijing Radio] .....	1
Mubarak Visit To Strengthen Ties [XINHUA] .....	1
Jiang Zemin Presides Over Asian Games Meeting [XINHUA] .....	1
Li Tieying Meets 'Better World Society' Members [XINHUA] .....	2
IMF-World Bank Development Committee Meets .....	2
Urge Trade Liberalization [XINHUA] .....	2
Roundup Examines Meeting [XINHUA] .....	3
Antarctic Expedition Hailed for Accomplishment .....	4
News Conference Held [XINHUA] .....	4
Praised by Yang Shangkun [XINHUA] .....	4
Rally Welcomes Expedition [XINHUA] .....	5

##### United States & Canada

Economist Luo Yuanzheng Discusses MFN Status [Hong Kong WEN WEI PO 9 May] .....	5
U.S. Consul General's Speech Reported [ZHONGGUO TONGXUN SHE] .....	6
U.S. Making Military Adjustments in Pacific [JIEFANGJUN BAO 23 Apr] .....	7

##### Northeast Asia

Commentary Views Kaifu's South Asian Visit [Beijing International] .....	7
Japan's Diplomacy in South Asia Viewed [RENMIN RIBAO 8 May] .....	8
DPRK Secretary Meets Journalist Delegation [RENMIN RIBAO 27 Apr] .....	9

##### Southeast Asia & Pacific

Students Demand Money Back From Australia [AFP] .....	9
---	---

##### Near East & South Asia

Egyptian President Mubarak To Visit 11 May .....	10
Visit Previewed [XINHUA] .....	10
Bilateral Trade Ties Seen [CHINA DAILY 10 May] .....	11
Leaves for Beijing Via Oman [XINHUA] .....	11
United Arab Emirates President Continues Visit .....	11
Jiang Notes Impact of Visit [XINHUA] .....	11
Attends Beijing Soiree [XINHUA] .....	12
Bids Farewell [XINHUA] .....	12
Wan Li Continues Tour of Middle East Countries .....	12
Meets Iranian President [XINHUA] .....	12
Arrives in Iraq [XINHUA] .....	13
Shanghai Mayor Meets, Fetes Pakistan Party Leader [XINHUA] .....	13



### Latin America & Caribbean

Prime Minister of Barbados Begins Beijing Visit .....	13
Arrives for Visit [XINHUA] .....	13
Meets Li Peng [XINHUA] .....	13
Ecuadoran Foreign Minister Visits Lhasa .....	14
Meets Tibet Vice Chairman [Lhasa TV] .....	14
Departs Lhasa [Lhasa TV] .....	14

## NATIONAL AFFAIRS

### Political & Social

Reportage on Release of 221 Student Dissidents .....	16
Release Announced [XINHUA] .....	16
Dai Qing Says 'Treated Well' [Hong Kong Radio] .....	16
Student Leader Reportedly Resumes Activities [Hong Kong CHIUSHIH NIENTAI 1 May] .....	16
Xi Zhongxun Urges Young To Help Poor Areas [XINHUA] .....	17
Shanxi's Wang Maolin on Stability, Reform [RENMIN RIBAO 26 Mar] .....	17
Merit of Lei Feng Campaign Focus of Struggle [Hong Kong SOUTH CHINA MORNING POST 10 May] .....	21
Emulation of Model Cadre Jiao Yulu Urged [XINHUA] .....	22
Editorial on Strengthening Ties With People [Hong Kong WEN WEI PO 27 Apr] .....	23
Commentator's Article on Ideological Work [GUANGMING RIBAO 10 Apr] .....	24
RENMIN RIBAO Views Press Freedom [7 May] .....	25
'Major Reform' Planned in State Hiring System [CHINA DAILY 10 May] .....	28
Views on Absorbing Surplus Rural Labor Force [JINGJI RIBAO 14 Apr] .....	29
Theory of 'Failure of Socialism' Refuted [RENMIN RIBAO 24 Apr] .....	31
Theoretical Workers Forum Discusses Politics [GUANGMING RIBAO 10 Apr] .....	35
Symposium Held on Theoretical Campus Culture [RENMIN RIBAO 20 Apr] .....	36

### Economic & Agricultural

Enterprise Contract System Calls for Improvement [Hong Kong CHING CHI TAO PAO 30 Apr] .....	36
Transponder of AsiaSat 1 Satellite Leased [HONGKONG STANDARD 10 May] .....	37
Agricultural Bank To Extend Long-Term Loans [CHINA DAILY 10 May] .....	37
Article Promotes Agrosience, Technology [RENMIN RIBAO 25 Apr] .....	38

## REGIONAL AFFAIRS

### East Region

Anhui Governor Attends CPPCC Meeting [Hefei Radio] .....	40
Jiangsu's Township, County Elections Complete [Nanjing Radio] .....	40
Jiangxi Governor Commends Young Teachers [Nanchang Radio] .....	40
Jiangxi District Celebrates 4 May Movement [Nanchang Radio] .....	41
Zhu Rongji, Others Attend News Briefing [JIEFANG RIBAO 1 May] .....	41
Shanghai Benefits From Foreign Investment [XINHUA] .....	41
Shanghai Economic Zone Develops Rapidly [XINHUA] .....	42
Shanghai Regulations on Clean Government [WEN HUI BAO 16 Mar] .....	42
Enterprise Output Increases in Ningbo, Zhejiang [XINHUA] .....	43

### Central-South Region

Reportage on Guangdong People's Congress .....	44
Guangdong Governor To Remain [Hong Kong WEN WEI PO 9 May] .....	44
Changes Expected in People's Congress [Hong Kong TA KUNG PAO 10 May] .....	44
Speculation Over Lin Ruo [HONGKONG STANDARD 9 May] .....	44
Guangdong Governor Views Economy [XINHUA] .....	45
Congress To Tackle Deficit Budget .....	

[Hong Kong SOUTH CHINA MORNING POST 9 May]	45
Guangdong Issues Circular on Family Planning [Guangzhou Radio]	46
Guangdong Increases Industrial, Grain Output [XINHUA]	46
Guangdong's Rural Enterprises Improve Economy [XINHUA]	46
Guangxi Officials Spend May Day With Workers [Nanning Radio]	47
Hainan Secretary Xu Shijie Attends Reception [Haikou Radio]	47
Hainan SEZ Investment Opportunities Viewed [XINHUA]	48
Hainan Marks 40th Anniversary of Liberation [Haikou Radio]	48
Henan Urges Strengthening Ties With People [Zhengzhou Radio]	49
Jiang's Speech Inspires Henan Intellectuals [Zhengzhou Radio]	50
Hubei Holds Seventh Enlarged Plenary Session [Wuhan Radio]	50
Hubei Acting Governor Delivers Work Report [Wuhan Radio]	50
Hubei Governor Meets Foreign Correspondents [Wuhan Radio]	51
Hunan Elects New Vice Governors [XINHUA]	53
Hunan Deputy Secretary on Party Building [Changsha Radio]	53
Hunan Intellectuals Study Jiang's Speech [Changsha Radio]	53

### Southwest Region

Guizhou Armed Police Forces Hold Meeting [Guiyang Radio]	54
Chengdu Military Region Personnel Reshuffled	
[Hong Kong SOUTH CHINA MORNING POST 9 May]	54
People Welcome Lifting of Lhasa Martial Law [Beijing International]	55
Dalai Lama 'Accused' of Blocking Talks	
[Hong Kong SOUTH CHINA MORNING POST 9 May]	55
State Council Group Views Tibet Disaster Areas [Lhasa TV]	56
Tibetan Human Rights Situation Discussed [XINHUA]	57
Yunnan Soldiers, Policemen Celebrate Youth Day [Kunming Radio]	57

### North Region

Beijing CPPCC Standing Committee Work Report [BEIJING RIBAO 23 Mar]	58
Beijing 1989 Economic Communique [BEIJING RIBAO 2 Mar]	61
Beijing People's Court Work Report [BEIJING RIBAO 25 Mar]	67
Advisory Commission Holds 10th Plenary Session [HEBEI RIBAO 11 Apr]	70

### Northeast Region

Heilongjiang CPPCC Work Report Presented [HEILONGJIANG RIBAO 10 Mar]	70
Heilongjiang Budget Report Given [HEILONGJIANG RIBAO 10 Mar]	73
Heilongjiang People's Court Work Report [HEILONGJIANG RIBAO 10 Mar]	80
Liaoning People's Congress Work Report [LIAONING RIBAO 14 Mar]	83
Liaoning CPPCC Conference Work Report Viewed [LIAONING RIBAO 11 Mar]	86
Panjin City Elects Party Leading Body [Shenyang Radio]	89
Liaoning Plans to Widen Export Process [CHINA DAILY 9 May]	89

### Northwest Region

Gansu CPC Committee Holds Plenary Session [Lanzhou Radio]	89
Qinghai Acting Governor Delivers Work Report [Xining Radio]	90
Shaanxi Governor Discusses Economic Prospects [CHINA DAILY 27 Apr]	90
Delivers Work Report [Xian Radio]	91
Progress Seen in Xinjiang's Foreign Trade [GUOJI SHANGBAO 19 Apr]	92

### PRC MEDIA ON TAIWAN AFFAIRS

Editorial Views Direct Taiwan Air Link [Hong Kong WEN WEI PO 30 Apr]	93
Mainland, Taiwan Jurists Attend Discussion [XINHUA]	94
Taiwan Businessmen Demand Direct Ties [XINHUA]	95
Trade, Investment Delegation Visits Zhejiang [XINHUA]	96

## TAIWAN

Reportage Continues on 'Goddess of Democracy' .....	97
Legislators Support Ship [CNA] .....	97
Ship Said To Arrive 12 or 13 May [AFP] .....	97
Organizers Fail To Contact Ship [Hong Kong TV] .....	98
President To Announce Reform Plans in Speech [CNA] .....	98
James Soong Remains KMT Secretary General [CNA] .....	99
Minister Views Military Budget at Yuan [Taipei Radio] .....	99
Government Spokesman Discusses Mainland Policy [Taipei Radio] .....	99
Interior Ministry To Protect Patent Rights [CNA] .....	99
Trade With Soviet Union Hits Record High [CNA] .....	99
Albania Hopes To Increase Trade Ties [CNA] .....	100
Mainland Drug Smuggling Ring Broken [CNA] .....	100
PRC Agency To Guide Contacts With Taiwan [Taipei Radio] .....	100
Commentary Discusses Environmental Movement [CNA] .....	100

## HONG KONG & MACAO

### Hong Kong

Relaxation on Overseas Chinese Labor Urged [HONGKONG STANDARD 9 May] .....	102
Territory To Retain Separate Identity for Sports [HONGKONG STANDARD 9 May] .....	102

### Macao

Basic Law Drafting Groups Meet in Hangzhou .....	103
Residents' Basic Rights Discussed [XINHUA] .....	103
Articles on Residency Formulated [XINHUA] .....	103
Group Discussions Held [XINHUA] .....	103
Future Political Structure Discussed [XINHUA] .....	103

## General

### Foreign Ministry Holds Weekly News Briefing

#### Opposition to Radio Ship Reiterated

HK1005135590 Beijing ZHONGGUO XINWEN SHE  
in Chinese 0929 GMT 10 May 90

[Text] Beijing, 10 May (ZHONGGUO XINWEN SHE)—Today, China once again reiterated its tough position on the question of the "Goddess of Democracy," the broadcasting vessel.

When answering a foreign correspondent's question, Chinese Foreign Ministry Spokeswoman Li Jinhua said that China resolutely opposes any region, organization, or individual providing support or assistance to the "Goddess of Democracy."

Li Jinhua added that the vessel is carrying out activities aimed at subverting the Chinese Government.

The Chinese Foreign Ministry spokeswoman made the above remarks when answering a question raised by a UPI correspondent.

#### Ties With SRV, USSR Viewed

OW1005133190 Beijing Domestic Service in Mandarin  
0930 GMT 10 May 90

[From the "National Hookup" program]

[Text] According to a station reporter, Li Jinhua, a spokeswoman of the Chinese Foreign Ministry, revealed at a news briefing held this afternoon that Foreign Minister Qian Qichen met with Dinh Nho Liem, first deputy foreign minister of Vietnam, on 8 May. Dinh Nho Liem came to China to inspect the work of the Vietnamese Embassy in China.

During Dinh's stay in Beijing, Vice Foreign Minister Tian Zengpei met with him and hosted a banquet in his honor. Dinh exchanged views with Xu Dunxin, Chinese assistant minister of foreign affairs, on a comprehensive political solution to the Cambodian question. This informal exchange of views was useful and has enhanced mutual understanding. Some common understanding has been reached, but there still exist different views on a number of major issues which will be further discussed by the two sides.

Answering a question from a VNA reporter on whether or not the Chinese and Vietnamese sides have exchanged views on the normalization of Sino-Vietnamese relations, Li Jinhua said: The major obstacle in the normalization of Sino-Vietnamese relations is the Cambodian question. Only when this question is resolved fairly and reasonably, can Sino-Vietnamese relations be improved.

A Japanese NHK reporter asked: As of 11 May, there will be four state leaders visiting China. This has never happened before. Please brief us on the basic line of China's foreign affairs.

Li Jinhua answered: China pursues an independent foreign policy of peace. We are willing to establish and develop relations of friendship and cooperation with all countries in the world on the basis of the five principles of peaceful coexistence. Recently, Chinese leaders have made more visits abroad, while more foreign leaders have also visited China. This shows the continuous development of the relations of friendship and cooperation between China and many countries.

A Soviet broadcasting station reporter asked: It has been a year since Gorbachev visited China. What is the situation in Soviet-Chinese relations?

Li Jinhua replied: Over the past year, the Chinese and Soviet sides, based on the guidelines laid down by the China-USSR joint communique, have witnessed developments in the realms of politics, economy, trading, science and technology, culture, education, and others. Premier Li Peng's visit to the USSR not long ago further promoted the relations between the two countries. The two sides exchanged comprehensive views during their meetings. These meetings have opened up new vistas in the fields of economy, science, and technology for the two countries. During Premier Li's visit, the two sides signed six agreements which were the specific major achievements of the visit. The visit was a success.

#### Mubarak Visit To Strengthen Ties

OW1005080290 Beijing XINHUA in English  
0737 GMT 10 May 90

[Text] Beijing, May 10 (XINHUA)—The forthcoming visit to China by Egyptian President Hosni Mubarak will further promote and strengthen the friendly relations of cooperation between China and Egypt, a Chinese Foreign Ministry spokeswoman said here today.

During the visit, Mubarak will exchange views with Chinese leaders on international issues, the Middle-East question, bilateral relations and other issues of common concern, the spokeswoman said in response to a question at a news briefing here this afternoon.

She described Mubarak as "an old friend of the Chinese people", who has visited China three times.

China and Egypt have always maintained friendly relations, the spokeswoman added.

#### Jiang Zemin Presides Over Asian Games Meeting

GW1005142990 Beijing XINHUA in English  
1359 GMT 10 May 90

[Text] Beijing, May 10 (XINHUA)—General Secretary Jiang Zemin presided over a meeting of the Standing Committee of the Political Bureau of the Central Committee of the Chinese Communist Party here this afternoon hearing the report on the preparation for the Beijing Asian games.

The report was made by president of the Beijing Asiad Organizing Committee Chen Xitong, Executive President Wu Shaozu and Executive Vice President Zhang Baifa.

The meeting expressed its satisfaction at the preparation made so far for the Asian games.

The meeting noted that all the people involved in the preparation work are working hard and confidently to accomplish the glorious tasks entrusted by the party and the people with high quality and efficiency in the spirit of "unselfish dedication, hard work, unity and cooperation, and striving for the best."

The meeting pointed out that the 11th Asian games is a sports gala unprecedented in scale in Asia and it is an important event in our national life to make the games a success. The whole party and the people of all nationalities throughout the country should support the Asian games and all walks of life should make contributions to the Asian games in order to run the games well under the guideline of "unity, friendship and progress." Leaderships at all levels should attach great importance to the Asian games and make full organizational and material preparation for the games.

The meeting also studied the problems concerning the next-phase preparation for the Beijing Asiad.

#### **Li Tieying Meets 'Better World Society' Members**

OW0905180590 Beijing XINHUA in English  
1540 GMT 9 May 90

[Text] Beijing, May 9 (XINHUA)—State Councillor Li Tieying met seven "Better World Society" (BWS) board members headed by board president Ted Turner here today at the Great Hall of the People.

Li also attended a reception held for them by the State Family Planning Commission followed by the meeting.

At the suggestion of former U.S. President Jimmy Carter and some other noted figures of the world, the BWS was established in 1985. Right now the society's board of directors is holding its annual spring meeting in Beijing.

Addressing the reception, minister in charge of the State Family Planning Commission Peng Peiyun said the Chinese Government echoes the aim of the BWS, which calls for population stabilization, disarmament and environmental protection.

She pointed out that since the 1970's, with the support of the Chinese people and the efforts of 200,000 family planning officials as well as numerous volunteers, China has cut its population increase by 200 million people. This, she added, has played an important part in promoting the development of the national economy and improving the people's lives.

She said peace and development are the two most pressing subjects today; every government is duty-bound to address itself to them.

Turner, who is the president of the Turner Broadcasting System in the United States, said that China's experiment in population control has been the most successful in the world, and China has also set a good example in many other related fields.

In 1988 his society presented a "population stabilization award" to the Chinese family planning association.

The BWS has about 15,000 members, most of them in the European and North American countries. Its board of directors consists of 18 people who are former or present heads of state, senior officials or leading personalities from 11 countries.

The other six board members attending today's occasion were BWS President Glenn Olds, special aide to four U.S. Presidents; Rodrigo Carazo, former president of Costa Rica; Olusegun Obasanjo, former head of state of Nigeria; Julia Henderson, former secretary of the International Planned Parenthood Federation; Jean-Michel Cousteau, founder of the French Cousteau Foundation; and Zhou Beiping, vice chairman of the Chinese Family Planning Association.

#### **IMF-World Bank Development Committee Meets**

##### **Urge Trade Liberalization**

OW0905115090 Beijing XINHUA in English  
0719 GMT 9 May 90

[Text] Washington, May 8 (XINHUA)—The joint International Monetary Fund-World Bank development committee met here today, focusing its discussions on the contribution of the private sector, the debt strategy and the long-term perspective for development of sub-Saharan Africa.

In a communique issued this evening, the committee emphasized the "complementarity" of the roles of efficient and well-managed private and public sectors in development.

The communique said, "The committee welcomed the growing emphasis given by developing countries to the role of the private sector, including the promotion of domestic and foreign investment, in their development strategies."

Members of the committee recognized that foreign direct investment is a "valuable non-debt" creating external resource for developing countries, and emphasized the need, particularly for severely indebted countries, to mobilize direct investment and repatriate flight capital.

Flight capital is money held overseas by citizens of debtor countries.



They also noted the role of such investment in transferring technology, improving managerial skills and facilitating market development.

The committee, in the communique, "reaffirmed its support for the strengthened debt strategy as endorsed at its last meeting and welcomed the progress achieved so far".

Members of the committee reiterated the need to maintain the case-by-case approach to commercial bank financing packages and underlined again the central importance of appropriate adjustment programs, including measures to encourage investment and the return of flight capital, as a basis for implementing the strategy.

The committee called on the World Bank and the IMF to continue to provide support for debt and debt service reduction programs.

The committee also emphasized the complementary roles of the World Bank and the IMF in the long-term development process in sub-Saharan Africa.

It stressed that "sustained growth and development" required firm commitment and good governance on the part of the concerned African governments given their primary responsibility in the design and implementation of their development strategies.

Members of the committee agreed that there is a need for "adequate, effective and well coordinated" funding from donors and multilateral institutions, noting that large official development assistance flows to sub-Saharan Africa would continue to be required in the 1990s.

The committee reiterated the importance it attaches to environmental issues and noted the progress being made by the World Bank on a number of issues, such as the new operational directive on environmental assessment.

Members of the committee agreed that further work was necessary to develop methods for the bank to assist developing countries to take actions which contribute to the reduction of global environmental problems.

The committee called on donor countries to make further efforts to increase the transfer of resources to developing countries.

The multilateral trade negotiations under the Uruguay [Round] were in their final crucial phase. While much progress had been achieved, a number of key agricultural, industrial and other issues remained unresolved.

The committee called on both developed and developing countries to reach an early agreement on these issues and to agree on a strengthened multilateral trading system based on predictable and uniform rules to promote trade liberalisation by all countries.

### Roundup Examines Meeting

OW0905180790 Beijing XINHUA in English  
1535 GMT 9 May 90

["Roundup: Seeking Common Ground While Reserving Differences (by Wei Guoqiang)"—XINHUA headline]

[Text] Washington, May 8 (XINHUA)—The two-day spring meeting of the World Bank and the International Monetary Fund (IMF) concluded late this evening with some results on the fund's capital increase.

According to the two communiqués issued by the meeting, the developed and developing countries have reached a understanding on the increase of IMF's quotas, known as the Ninth General Quotas Review, thus bringing about an initial settlement to the thorny issue.

The quota increase, conducted in every five years, failed to be completed by March 1988 due to wide differences between the major industrial powers, the United States in particular, and the developing countries on the percentage of the increase and on the linkage of quota increase with an amendment of the fund's article related to punishment against those member countries with arrears.

The IMF originally proposed to double its 120-billion-dollar fund to meet the needs of the developing countries. This 100 percent increase proposal was welcomed and supported by the developing countries.

However, the United States opposed the idea. Moreover, it also demanded that the quota increase and the punitive measures against those unfulfilling its repayment obligations should be settled as a package.

Other industrial countries also had their plans which would serve their own interests. With a view to increasing their voting power, they emphasized that the quota increase should mirror the economic power of the member states.

Japan and West Germany hoped to replace Britain as the second in the ranking of voting power by expanding their quotas while France wanted to be ranked before Britain. Britain, which is unwilling to make more contributions, did not agree with such an arrangement.

Their differences remained unsolved until the eve of the meeting.

After serious bargaining and consultation, the developed and developing countries finally reached an agreement through the IMF's policy-making interim committee on a 50 percent increase of quotas. As a compromise both sides agreed that the punishment measures should be settled as a package with the quota increase by the end of 1991.

The meeting also discussed other issues such as world economic situation, debt strategy, sub-Saharan Africa, world capital flow and the role of private sector in national economy.

Many developing countries pointed out that the economic situation of developing countries has not been improved in the past year and the gap between the South and the North has been widened instead.

They thus urged developed countries to reduce their internal imbalances, by cutting budget deficits, stabilizing exchange rates and eliminating protectionist measures so as to create a better external environment for the economic growth of developing countries.

Some poor countries also expressed their concern over the redistribution of international financial resources by international institutions and the developed countries because of the change in Eastern Europe.

They demanded that more capital to the East European countries should not be given at the expense of their interests.

President of the World Bank Barber Conable promised during the meeting that the bank will not reduce its loans to the developing countries. But, how can the bank, with limited resources, meet the additional needs from Eastern Europe while not hitting the interests of the developing countries?

Some analysts noted that there will be more disputes over the direction of capital flow in the future, and some developing countries, especially ones with shortfalls in their external accounts, might become victims.

### Antarctic Expedition Hailed for Accomplishment

#### News Conference Held

OW0905122990 Beijing XINHUA in English  
1131 GMT 9 May 90

[Text] Beijing, May 9 (XINHUA)—The international trans-Antarctic team said here today that they obtained a wide range of materials useful for the study of oceanography, glaciology, physiology and the ozone layer in the continent during their 220-day expedition.

At a press conference jointly sponsored by the China National Antarctic Research Committee and the All-China Journalists Association, American geologist Will Steger said the materials will help people get to understand better and treasure the world's last continent and protect its ecological environment.

According to the team, the samples and materials they gathered have been sent to laboratories in the United States, the Soviet Union, France and China for study.

Steger said Chinese glaciologist Qin Dahe was the first person to retrieve ice samples from a layer deeper than one m below the Antarctic ice.

Soviet scientist Viktor Boyarskiy said, "Although the final results of my research into the ozone layer will only come out in four or five months' time, the latest findings by the Leningrad laboratory have proved that the ozone layer is weakening over Antarctica."

#### Praised by Yang Shangkun

OW0905121690 Beijing XINHUA in English  
1142 GMT 9 May 90

[Text] Beijing, May 9 (XINHUA)—Chinese President Yang Shangkun today called the six Antarctic expedition members who made the first-ever crossing on foot of the southern continent and are now visiting China "heroes" and "brave men".

President Yang met them in the Great Hall of the People. The explorers and their family members are from Britain, China, France, Japan, the Soviet Union and the United States.

Yang said, "There is a Chinese saying that 'you are not a true man if you do not mount the Great Wall.' But as for you, it should be said that 'you are not a true man if you do not reach Antarctica and the North Pole.'"

On behalf of the Chinese Government, he said, "I welcome you heroes to visit China because you have accomplished a great mission and made the first-ever crossing on foot of the continent.

The six expedition members are Jean-Louis Etienne from France, Will Steger from the United States, Viktor Boyarskiy from the Soviet Union, Geoff Somers from Great Britain, Keizo Funatsu from Japan and Qin Dahe from China.

Overcoming various kinds of difficulties and withstanding severe tests, they covered nearly 6,000 km on foot.

Yang said that the expedition was of great significance for the progress of mankind: "Your success was the result of common efforts and it is also a symbol of unity among the people of the world."

He said that the Chinese people are particularly proud of the Chinese team member.

Yang said that China has established two scientific stations in Antarctica and will make further efforts in the future in Antarctic studies.

Apart from China's efforts, he said, various countries should conduct close co-operation and help each other. "Let Antarctica become a common land for the people of the whole world," he said.

Team leader Jean-Louis Etienne said that the expedition was an international event, so China was naturally included.

### Rally Welcomes Expedition

OW0905132090 Beijing XINHUA in English  
1206 GMT 9 May 90

[Text] Beijing, May 9 (XINHUA)—Over 1,000 people from all walks of life gathered here this morning to welcome the six members of the expedition which recently made the first-ever crossing of Antarctica on foot.

When Qian Zhihong, vice-chairman of China's National Antarctic Research Committee, announced the beginning of the rally, children presented the men with flowers and the entire hall resounded with bursts of warm applause.

Wu Heng, chairman of the China National Antarctic Research Committee, praised the team's international co-operation and their efforts to help mankind better understand Antarctic.

Beijing Mayor Chen Xitong welcomed the six and their family members on behalf of the 10 million local residents. He said the expedition has attracted wide interest in Beijing.

Will Steger, one of the two team leaders, told the Chinese audience how the idea for trans-Antarctic expedition was born. During the 220-day trek, he said, "we crossed the Antarctic without any passports or visas, as the land belongs to everyone in the world, including you here."

He noted that "the expedition could not have taken place without the participation of China." He said that Qin Dahe, a glaciologist from China treated sick team members with traditional Chinese plasters. "They were very effective," he said.

During the welcome rally, the China National Antarctic Research Committee and Beijing Municipality presented souvenirs to the six men.

### United States & Canada

#### Economist Luo Yuanzheng Discusses MFN Status

HK0905123890 Hong Kong WEN WEI PO in Chinese  
9 May 90 p 25

["Exclusive Interview" by staff reporter Yu Shih-ching (0151 0099 3237): "Luo Yuanzheng Says It Will Be Unwise If the United States Unilaterally Revokes China's Most-favored Nation Status, Part 1"]

[Text] Luo Yuanzheng, famous economist, member of the National Committee of the Chinese People's Political Consultative Conference, vice chairman of international economic association, and professor at Beijing Economic Institute, told this reporter after attending a recent symposium in Hong Kong, that at a time when China's opening up and reform is developing thoroughly, the move by some U.S. congressmen proposing unilateral suspension of the most-favored nation (MFN) status

for China is very unwise. He also gave his opinion on the problem of strengthening cooperation among the "three sides" of China, Hong Kong, and Taiwan in the 1990's.

Question: What role does the Sino-U.S. MFN status play in China's development?

Answer: Since China and the United States established contact in 1972 after a period of effort and, in particular, since China began practicing opening up and reform in 1979, Sino-U.S. relations have developed greatly. In 1980, China and the United States signed an agreement which included both sides granting the other the MFN status and trade between the two countries increased rapidly. In the first year the treaty came into effect alone, the volume of Sino-U.S. trade rapidly increased from the \$2.45 billion in 1979 to \$3.78 billion in 1980. The increase in trade also enhanced economic, cultural, scientific, and technological exchanges between both countries.

The signing of the treaty in which China and the United States granted each other MFN status has provided beneficial economic conditions for China's reform and opening up. It should be perceived that the great achievements scored by China during the 10 years of reform and opening is related to it. At the same time, it has provided a big Chinese market for American enterprises and performed a certain function in the development of the U.S. economy. Therefore, we can say that the MFN status is mutually beneficial to both China and the United States.

Question: If the United States really suspends China's MFN status, what kind of impact will it have on relations between the two countries?

Answer: China's MFN status expires on 3 June. According to usual practice it will be extended automatically but recently there has been news about some U.S. congressmen proposing its suspension. I am shocked because I have met many American entrepreneurs and none of them thought it wrong for the United States to give China MFN status; they thought it was a foundation for long-term Sino-U.S. cooperation.

After rectification and improvement, China's economy is moving further toward deepened development and the prospect for economic development is much broader. At this moment, we need more funds and technology from the United States and the cooperation of U.S. enterprise circles. The people in U.S. industrial circles whom I met recently, thought that China's prospects are bright. The evaluation of China by many large companies and major decision makers is being upgraded and the move to suspend MFN status is apparently inappropriate and very unwise. It equates to destroying the foundation built initially by both countries over the past 10 years and the result is that both must suffer from high tariffs; China does not want to see this and it is not beneficial to the United States.



According to some reports from the United States, both the proponents and opponents of revoking MFN status have admitted that the consequences of this move are more serious than the consequences from any other sanctions and that is not only for China, but for the United States and Hong Kong alike. China's exports to the United States are very extensive in scope and include textile products, toys, sports goods, handbags, and household electric appliances. Take toys as an example: Some 50 percent of toys on sale in the U.S. market are "made in China." The short-term influence of any revocation will be an increase in tariffs on Chinese goods. It is estimated that at least \$3 billion will be lost annually in China's exports of goods to the United States. Among the long-term influences are: China will adopt retaliatory measures toward goods imported from the United States; in south China's areas of market economy there will be a huge number of unemployed; and Hong Kong, which relies heavily on carrying Chinese goods to the United States, will have economic problems.

According to data, the total volume of the top 25 categories of important commodities the United States imported from China last year was \$4 billion and for this U.S. importers paid tariffs of \$354 million. If China's MFN status is canceled, U.S. importers would have to pay an additional \$2 billion in tariffs for these 25 categories of commodity. This equals 50 percent of the money the United States has to pay when purchasing these goods. Likewise, this is disadvantageous to the United States.

#### U.S. Consul General's Speech Reported

HK0905135490 Hong Kong ZHONGGUO TONGXUN  
SHE in Chinese 0931 GMT 9 May 90

[Report: "U.S. Consul General Anderson Says All Parties Must Show Sincerity and Confidence To Ensure Hong Kong's Future"—ZHONGGUO TONGXUN SHE headline]

[Text] Hong Kong, 9 May (ZHONGGUO TONGXUN SHE)—The U.S. Consul General in Hong Kong, Anderson, said the U.S. Government believes that the Sino-British Joint Declaration can provide a practical framework guaranteeing the future of Hong Kong, but the framework cannot operate effectively unless all parties show full sincerity and confidence. He also stated that China-Hong Kong relations are the key to the survival or extinction of Hong Kong. The present relations between Hong Kong and the mainland are as close as lips and teeth and gain strength from each other.

Anderson made the remarks in a speech at a luncheon today. He said:

Hong Kong's ties with the mainland have turned it into a gateway through which the United States has to pass when making contacts with China. The geographic location of Hong Kong, its world-level transport and communications facilities, and its first-class service trades

have made Hong Kong an important pivot for Americans in their commercial business in the Asia Pacific region. The United States also shares Hong Kong's conviction in the free market principle. Based on a fundamental view of value, all Americans hope Hong Kong people will continue to enjoy civil and political freedom and develop a system of democracy under the "one country, two systems" concept. He believed the maintenance of the free market principle and personal freedom in Hong Kong is of great importance to Hong Kong's sustained prosperity and stability.

He further said that when Hong Kong faces the new historical challenge of the return of its sovereignty to China by Britain, Americans are therefore naturally concerned about the future of Hong Kong. The U.S. Government is convinced that the Sino-British Joint Declaration can afford a practical framework to guarantee the future of Hong Kong, but that framework cannot operate effectively unless all parties show full sincerity and confidence.

He pointed out that China-Hong Kong relations are the key to the survival or extinction of Hong Kong. For a long time economic, social, cultural, and family relations have linked Hong Kong with China and particularly closely with Guangdong Province. In the 10 years of reform in China, the relations between China and Hong Kong became closer and more important. We can say that the present relations between Hong Kong and China are as close as lips and teeth and they gain strength from each other. Hong Kong's capital, science and technology, and commercial knowledge, plus the production capacity and economic potential in the Zhujiang Delta, have transformed the whole southern area. In his recently-published book on Guangdong, Ezra F. Vogel points out: The areas around Guangdong and Hong Kong "have become one of the most dynamic regions in the world." Such a fundamental situation in Hong Kong has not changed over the past year and no one hopes it will.

Speaking about stability and prosperity, Anderson said that Hong Kong's prosperity is built on a legal and social system which offers an opportunity for individuals to live and work on their own, thus creating an environment of stability. However, such stability does not resist change. On the contrary, we agree that it is very hard to avoid the accidental appearance of little fluctuations (or call them disorders) in Hong Kong and its people can even benefit themselves from them. Hong Kong has attained its prosperity under just such a system and all of us have shared its achievements.

Anderson stated: This is the "stability and prosperity" I support, which derive from the unique status of Hong Kong, which is described as an open and international banking, commercial center, with a social and legal structure which allows all people to display their ability to the full. If the leaders of Hong Kong, China, Britain, and other countries can maintain these features of Hong

Kong, then I am convinced that it can maintain its "stability and prosperity" in the future.

### U.S. Making Military Adjustments in Pacific

HK0905132190 Beijing JIEFANGJUN BAO in Chinese  
23 Apr 90 p 3

[Article by Chen Linhai (7225 2651 3189) and Wu Xinzhen (0702 2450 2973): "U.S. Armed Forces To Make Major Adjustments in Military Bases in the Pacific Ocean"]

[Text] In early April, the U.S. Department of Defense submitted to Congress an assessment of U.S. military presence in East Asia. The report primarily dealt with U.S. adjustments in the Pacific region and the selection of a reserve military base site.

The Pentagon believes that the U.S. Armed Forces should pull out from South Korea since the South Korean people strongly oppose the U.S. military presence. The Pentagon also believes that the South Korean armed forces are capable of taking up the responsibility for their defense. In addition, the gap between the United States and the Philippines remains wide on the issue of the United States continuing to employ the latter's military bases; most likely, the U.S. Armed Forces will have to pull out from the Clark Air Base and Subic Bay. Therefore, the Pentagon must select an appropriate reserve military base in the Pacific region. Presently, unofficial consideration has already been given to some reserve bases, including Hawaii, Singapore, Japan, Okinawa, and Guam.

U.S. military experts believe that a reserve military base must meet two conditions: A deep water dock to berth aircraft carriers and enough airspace for Air Force exercises. A U.S. Department of Defense official pointed out that Guam is possibly the most suitable site for a reserve military base. Geographically, Guam is the westernmost U.S. territory in the Pacific, and is located at the juncture of the shipping lanes to the ports of Korea, Hawaii, Japan and the Philippines. The choice of Guam as a reserve base will not be restricted by external conditions but to those conditions that are favorable to the command of U.S. armed forces.

Economically, Guam is, to the U.S. Armed Forces, a region of the strongest economic strength in the Pacific. Presently, it has sufficient goods and equipment in every category to meet the needs of the U.S. Navy for scores of years. Guam was occupied by Japan from 1941 to 1944. Later, Admiral Nimitz of the U.S. Seventh Fleet and his troops recovered the island. Since then, Guam has become a supply base to the U.S. Armed Forces in the Pacific. Guam is also where the U.S. Mariana Navy Headquarters, and regional joint defense center are located. Permanent offices of military representatives of the U.S. Pacific Fleet, the Federal States of North Mariana, the Federal States of Micronesia, and the Republic of Belau are stationed there; consequently, all

relevant issues regarding regional joint defense can be promptly and harmoniously resolved there.

Guam has great advantages as a reserve military base. Presently, the U.S. Navy and Air Force have built numerous military installations on the island.

The U.S. Navy has set up naval ship repair facilities and a large naval depot at Apra Harbor. Auxiliary ships consisting the submarine tender "Nereus," the ammunition ship "Haleakala," and the combat store ships "San Jose," "Niagara Falls" and "White Plains" are stationed there. They can efficiently supply all the maritime supplies needed by U.S. naval formations in that sea area. Expanding this basis will shorten the building period, and save lots of defense spending.

Of course, Guam as a military base has its limitation, namely, the sparse population on the island. The original military installations already employ the available labor force on the island. The expansion of the naval and air force bases will make labor force shortage keenly felt. However, Pentagon officials believe that when the time comes a voluminous labor force can be invited overseas. For example, the Filipino workers serving the Clark Airbase and Subic Bay can be transferred to serve on Guam.

Since last October, the United States has made a series of military adjustments on Guam. For example, Anderson Airbase, which originally belonged to the U.S. Strategic Air Command, is now under the jurisdiction of the Pacific Air Force and the Pacific Air Forces' 633d Air Corps has already taken over the airport from the No. 43 Bomber Unit under the Strategic Air Command. These changes may be the results of cuts in the 1990 defense budget, but precisely meet the requirements for adjusting the U.S. military bases in the Pacific region. Presently, the U.S. Air Force is studying whether Anderson Airbase should have a larger airspace than the Agana Naval Airstation to meet the needs of training naval air units. In the latter half of this year, a new air unit comprising eight ES-3A aircraft are to be dispatched to the Agana airport to reinforce the P-3 anti-submarine group stationed there. U.S. military analysts believe that these moves could possibly be an omen that the Pentagon will set up a reserve military base on Guam.

### Northeast Asia

#### Commentary Views Kaifu's South Asian Visit

OW0805164990 Beijing in English to East and South Africa 1700 GMT 7 May 90

[Commentary by (Zhou Hong)]

[Text] Japanese Prime Minister Toshiki Kaifu has just concluded a nine-day tour to India, Bangladesh, Pakistan, Sri Lanka, and Indonesia. In this commentary, (Zhou Hong) explains that Kaifu's visit may reflect Japan's ambition to have more say in major regional and international issues.

During his visit, Kaifu stressed that his country will strengthen cooperation with South Asian countries. In a speech delivered to the Indian parliament, Kaifu said: Japan will further promote political and economic dialogue, expand economic aid, and encourage cultural exchanges and cooperation. He said: Japan's economic aid to East Europe will not weaken its attached importance to South Asian countries. The seven countries of South Asia have a combined population of one billion.

Japan's economic aid to this region accounts for one-fifth of its total overseas development funds, but that is not all. The Japanese prime minister, during his South Asian tour, generously offered India \$634 million in loans this year, \$381 million to Pakistan, and \$196 million to Bangladesh. Kaifu also promised to send an investigation team to Sri Lanka in order to help the process of industrialization there. Kaifu also announced that his country will invite 500 youths from the South Asian countries to visit Japan in the next five years.

During his stay in Indonesia, Kaifu stressed the need for continued close ties with ASEAN, the Association of South Asian Nations. He vowed that Japan will not change its preferential policies to ASEAN. To help Indonesia realize its economic potential, Kaifu also promised \$1.7 billion in loans to Indonesia. Kaifu's visit has those economic and political purposes. Japan wants not only a stronger diplomatic position in Asia, but also seeks to show off its role in regional and global affairs. Kaifu had said: Japan will take an active part in solving the debt problems of the third countries and other global issues such as the environment, drug trafficking, terrorism, and population control. He also promised to help solve regional conflicts. It has also been reported that Kaifu had discussions with the hosts on problems of Cambodia and Afghanistan. Kaifu also urged a peaceful dialogue between India and Pakistan to solve the Kashmir conflict.

Japan is taking the opportunity of great changes in the world to expand its influence. At a time when military confrontation is gradually reducing and science and technology becoming more important, Japan is moving to play a role in international politics compatible with its economic status. Kaifu's tour to the South and Southeast Asian countries, the first since he took office last August, reflects Japan's new direction in its foreign policy.

#### **Japan's Diplomacy in South Asia Viewed**

*HK1005073590 Beijing RENMIN RIBAO in Chinese  
8 May 90 p 4*

[Article by Zhang Guocheng (1728 0948 2052): "Kaifu's First Diplomatic Step in Asia"]

[Text] Japanese Prime Minister Toshiki Kaifu visited India, Bangladesh, Pakistan, Sri Lanka, and Indonesia from 28 April to 6 May. This was Kaifu's first trip to Asian countries in the capacity of Japan's prime minister, although he visited the United States twice and visited Europe once after he took office last August. It

was also the first visit by a Japanese prime minister to the South Asian countries in the last six years.

According to Japanese official sources, the purpose of Kaifu's Asian trip was to "expand the vision of Asian diplomacy," to increase the "depth and range" of Japan's Asian diplomacy, and to show to the Asian countries that in the new international situation, "Japan will attach as much importance to Asia as it does to America and Europe in its diplomacy."

It was said that there were three options for the first step of Kaifu's Asian diplomacy: The Southeast Asian region; the South Asian region; and the West Asian region. Finally, he selected the South Asian region. This indicated that Japan attached importance to South Asia.

It was generally held in Japan's political circles that after the international situation was relaxed, because the turbulence in the European situation had diverted the attention of the United States and the Soviet Union, the two countries which had the strongest influence on the politics in South Asia, from this region, there appeared "a strength vacuum" in South Asia. The South Asian countries are situated between Europe which is undergoing drastic changes and Southeast Asia which is making rapid economic development, and are exposed to the influence from both sides. They are also reviewing and exploring their development courses, and adjusting relations with countries outside this region. There is a total population of 1 billion people in South Asia. Due to historical and current reasons, plus the shadow left down by the internal and external conflicts, the economy in this region is still less developed, and the people are still living in relatively poor conditions. The South Asian countries, which ardently hoped to boost their national economies, all looked forward to Japan's assistance. These factors not only provided an opportunity but also provided the possibility for Japan to launch its political and economic offensive and to expand its influence in this region.

On 30 April, Prime Minister Kaifu delivered a speech about Japan's policy toward South Asia to the Indian parliament. He announced that Japan would follow three principles for its relations with the South Asian countries: 1) promoting the political and economic dialogue with the South Asian countries; 2) strengthening economic assistance to the South Asian region; and 3) expanding cultural exchanges and cooperation with the South Asian countries. The three principles were also the main contents of the talks between Kaifu and the leaders of the South Asian countries.

In the talks with the leaders of the South Asian countries, Kaifu expressed a strong interest in the political issues in this region, and expounded the opinion of the Japanese Government on these issues. He proposed that the South Asian countries exercise self-restraint and jointly created a peaceful environment with mutual trust so that they may reduce the armaments burdens and shift more resources to economic construction. He also hoped that



India and Pakistan would peacefully settle the Kashmir issue through dialogue and at least, this issue would not become the cause of another round of armed conflicts between the two countries. The Japanese prime minister also expressed worries about the continuing escalation of the arms race on the subcontinent, and he urged India and Pakistan to join the treaty on banning nuclear proliferation in order to ensure peace and stability in this region. Kaifu also discussed the Afghan situation with the leaders of Pakistan, and expressed sympathy for the difficulties suffered by Pakistan by the 3.3 million Afghan refugees remaining in Pakistan and promised to give assistance to Pakistan in this regard. Although various countries made different reactions to Kaifu's proposal, Japan's concern over the problems in South Asia left a deep impression behind.

An important purpose of Kaifu's visit to South Asia was to develop economic relations between Japan and the countries in this region. In order to dispel the doubts and worries of the South Asian countries about the possibility that Japan may reduce economic assistance to this region, Kaifu officially announced during his visit that Japan would continue to offer economic and technical assistance to South Asia. It was revealed that Japan would provide loans with preferential terms totaling 191.2 billion yen to the three countries of India, Pakistan, and Sri Lanka in the current fiscal year.

A noticeable fact was that while making the generous promise, Japan also demanded more say regarding the economic policy of the South Asian countries, requiring them to reduce governmental control over the economies, to accelerate the privatization of state-owned enterprises, to develop basic industry, and to improve their investment environment.

After concluding the visit to South Asia, Prime Minister Kaifu also visited Indonesia. There, aside from promising to give Indonesia \$1.81 billion of economic assistance, he mainly exchanged opinions with the Indonesian leaders on the situation of ASEAN and on the Cambodian issue. Japan expressed its willingness to offer conveniences for the talks between Sihanouk and Hun Sen in Tokyo and tried hard to play a role in the settlement of the Cambodian issue.

Kaifu's Asian trip started from India, a major country in the nonaligned movement, and ended in Indonesia, this year's chairman of the ASEAN. This indicated that Japan hoped to make full use of this visit to achieve as great results as possible. However, some people also held that to the South Asian region which is facing many complicated problems, "how much in contributions Japan can make remains uncertain." Public opinion in Japan held that the visit by Kaifu to these countries was aimed at raising Japan's status in the seven-nation summit meeting in the West next July and increasing Japanese influence in Asian affairs. Maybe, this target can be achieved.

### DPRK Secretary Meets Journalist Delegation

HK0905031990 Beijing RENMIN RIBAO in Chinese  
27 April 90 p 4

[Article by reporter Xu Baokang (1776 1405 1660): "Korean Workers Party Central Committee Secretary Receives RENMIN RIBAO Delegation"]

[Text] Pyongyang, 25 April (RENMIN RIBAO)—Hwang Chang-yop, secretary of the Korean Workers Party Central Committee, met cordially with the RENMIN RIBAO delegation led by deputy editor-in-chief Zhang Yunsheng in Pyongyang this afternoon.

At the meeting, highly appraising General Secretary Jiang Zemin's recent visit to Korea, Hwang Chang-yop maintained that the visit "was a great success." He said: The traditional friendship between the two parties, two countries, and two peoples of China and Korea is a model for the world. The Korean party and government cherish the Korean-Chinese friendship very much and are determined to hand it down from generation to generation.

When talking about China's achievements in reform and opening up to the outside world, Hwang Chang-yop said: Since the Third Plenary Session of the 11th CPC Central Committee, under the leadership of the CPC, the Chinese people have made tremendous achievements, which have played an important role in expanding socialist forces and boosting the prestige of socialism. He wished from the bottom of his heart that the Chinese people would score fresh victories in the cause of building socialism with Chinese characteristics.

Hwang Chang-yop said: While carrying out socialist construction, Korea is struggling for the independent and peaceful reunification of the fatherland. At present, socialist countries are facing the challenge of peaceful evolution pursued by the imperialists. The Korean people are determined to embark on the socialist road and teach the youngsters to safeguard the achievements of socialism.

The RENMIN RIBAO delegation arrived in Korea on 20 April for a friendly visit at the invitation of Korea's NODONG SINMUN. During its stay in the country, the delegation visited economic construction projects and cultural and educational facilities in such cities as Pyongyang, Nampo, and Kaesong, where they were warmly received by the Korean comrades.

### Southeast Asia & Pacific

#### Students Demand Money Back From Australia

HK1905083990 Hong Kong AFP in English  
0819 GMT 10 May 90

[Text] Beijing, May 10 (AFP)—Some 30 Chinese protested outside the Australian Embassy here Thursday, demanding the refund of fees paid to English-language schools before Canberra tightened visa requirements.

Police looked on, but did not intervene as the protesters, mostly young workers, unfurled banners painted on old newspapers and distributed a six-point manifesto to journalists.

"Stop colleges from stealing our money," one of the banners said. "Aussies stop trading in human suffering," read another.

One protester briefly stopped a car carrying embassy counsellor Colin Heseltine with a sheet of paper that read: "Please."

In their manifesto, the protesters urged Canberra to set a deadline for the refund of fees pre-paid to English-language schools before visa requirements were tightened in August.

Some 60 million Australian dollars (45 million U.S.) have yet to be refunded, they said, adding that they had "reason to suspect" that government officials and colleges had "plotted" to delay refunds.

"We can't tolerate this any longer," their spokesman, journalist Jiang Jixiang, told reporters. "We've already been waiting eight months."

Australia cut back on its policy of "exporting education" in August after thousands of Chinese attending short-term English courses were found to be overstaying their visas.

Under an agreement with Canberra, the schools pledged to refund all fees pre-paid by students who suddenly found themselves ineligible to go to Australia, and to give 100 Australian dollars (75 U.S.) to each as "goodwill money."

Since then, about 470 students have told the Australian Embassy's student section that they have yet to get their money back from the colleges, embassy spokesman Grant Thompson said in a phone interview.

More than 200 more have complained of other problems, such as no goodwill payments, or cheques that were made out in foreign currencies which cannot be exchanged in China, Mr. Thompson said.

The embassy is handling complaints on a case-by-case basis, he said.

"What they should do is make their case to the student section, and we are encouraging them to do that," he said.

Australia issued 20,000 student visas in China last year. More than 30 per cent of Chinese students overstayed their visas before June, when Canberra extended their right to stay after the army suppression of democracy protests in Beijing.

Last year the fee-refund controversy led to a series of sometimes unruly protests outside the Australian Consulate in Shanghai, prompting Canberra to urge Beijing to step up security for its diplomats in China.

## Near East & South Asia

### Egyptian President Mubarak To Visit 11 May

#### Visit Previewed

OW1005012490 Beijing XINHUA in English  
0042 GMT 10 May 90

[“Mubarak: China Visit Will Further Develop Bilateral Relations (by Gao Qiufu and Zhou Zexin)”—XINHUA headline]

[Text] Cairo, May 9 (XINHUA)—President Husni Mubarak said today that Egypt and China have always maintained close ties and expressed confidence that his forthcoming visit to China will further develop bilateral relations in various fields.

Mubarak said this in an interview with XINHUA before he leaves for China Thursday for an official and friendship visit due to start on May 11.

“Egypt and China share the same objectives of peace and development,” he said.

“Political relations between us are excellent,” Mubarak said. “China’s support of Arab causes is a rare example for others to emulate,” he added.

Chinese President Yang Shangkun’s visit to Egypt last December “marked an important milestone in the development of bilateral relations,” he said.

Mubarak has visited China three times before. “I look forward to my imminent visit to China as I am confident it will further develop bilateral relations in the political, economic, trade, cultural, and technical fields,” he said.

Mubarak said that Egypt is implementing a comprehensive program of economic reforms.

The heavy problems of external debt, over-population, and an unfavorable international economic environment are among the major challenges Egypt has to confront, he noted.

He said Egypt is seeking to forge an overall strategy of economic cooperation and integration among all Arab states based on the principles of mutual interest and the common destiny. “Such a strategy is to be discussed with all our Arab brothers before it is set in motion,” he said.

On the issue of Africa, Mubarak said Namibia’s independence was “a solid evidence that the struggle of peoples for self-determination must eventually bear fruit.”

“However, we still have one major pending problem in Africa, namely, apartheid,” he said. “Africa will never rest until this inhuman system is dismantled once and for all so that all the people of South Africa can live under a democratic regime in full harmony with one another.”

Mubarak, who is the current chairman of the Organization of African Unity, said the debt problem constitutes a major obstacle to Africa's aspirations of growth and development.

Noting that Africa's total debt reached 250 billion U.S. dollars in 1989, which is equivalent to 80 percent of the continent's GDP, Mubarak said whatever benefits have accrued from debt relief measures to some African countries have been offset by mounting interest rates, exchange-rate losses, and dwindling net resource flows.

"Unless this serious problem is resolved fairly and squarely, prospects for Africa's growth and development will remain bleak, the Egyptian President said.

He said Africa has called for the convening of an international conference on African debt. The international community should help Africa overcome this bottleneck so that it can embark on a course of sustained economic development, he added.

#### **Bilateral Trade Ties Seen**

HK1005035190 Beijing CHINA DAILY in English  
10 May 90 p 2

[By staff reporter Qu Yingpu]

[Text] A Chinese official has promised to strive for bilateral trade expansion between China and Egypt.

Liu Hanjie of the Ministry of Foreign Economic Relations and Trade said Chinese trade officials are expected to attend talks with Egyptian President Hosni Mubarak during his three-day visit to Beijing which begins tomorrow.

Liu said China has put Egypt on a list of developing nations which enjoy priority to sell their goods to China.

Meanwhile, China is also urging its enterprises to send delegations and hold fairs in Egypt to further expand sales of their goods.

Egypt has been one of China's top three African trading partners during the last four decades.

According to Chinese Customs figures, bilateral trade amounted to \$14.5 million during the first three months of this year, second only to Zaire.

China's trade with Egypt last year was \$65.17 million, down from 1988's \$154 million. Of the 1989 figure, China's exports to Egypt accounted for \$59.75 million with a trade surplus of \$54.33 million, down from China's 1988 surplus of \$139.52 million.

China's major export items to Egypt include light industrial products, chemical goods, machinery and equipment, tea, tobacco leaves, food and textiles.

Egyptian sales to China mainly cover cotton, phosphate, cotton yarn, and crude petroleum.

The Chinese Customs figures show no buying of Egyptian goods during the first quarter of this year, while Egypt's sales to China last year were \$5.42 million, down from \$7.26 million in 1988.

Meanwhile, China's exports to Egypt have been rising steadily. The figure during the first quarter was 43 percent more than during the same period last year. China's exports to Egypt in 1988 were 1.27 times more than in 1979.

#### **Leaves for Beijing Via Oman**

OW1005082890 Beijing XINHUA in English  
0800 GMT 10 May 90

[Text] Cairo, May 10 (XINHUA)—President Hosni Mubarak left here this morning for Beijing on a three-day official goodwill visit at the invitation of Chinese President Yang Shangkun.

During his visit, the Egyptian president will hold talks with China's top leaders on Arab and international issues, the latest developments in the Middle East and bilateral relations, diplomatic sources here said.

In a statement to XINHUA on the eve of his departure for China, Mubarak said that Egypt and China have always maintained close ties and share the same objective of peace and development.

He expressed his confidence that his visit "will further develop bilateral relations in the political, economic, trade, cultural, and technical fields."

Chinese ambassador to Cairo Zhan Shiliang said in a statement to Egyptian and Chinese reporters recently that Mubarak's visit "will usher in a new phase of cooperation and friendship between China and Egypt."

It is of great significance for the leaders of the two important countries of the Third World to exchange views and increase contacts, especially at a time when drastic changes are taking place in the world, Zhan said.

This is Mubarak's fourth visit to China. Chinese President Yang Shangkun paid an official visit to Cairo last December.

President Mubarak will hold talks with Sultan Qabus of Oman in a stop-over in Muscat today en route to Beijing. After his visit to China he will visit the Democratic People's Republic of Korea before continuing his trip to the Soviet Union.

#### **United Arab Emirates President Continues Visit**

##### **Jiang Notes Impact of Visit**

OW0905120490 Beijing XINHUA in English  
1120 GMT 9 May 90

[Text] Beijing, May 9 (XINHUA)—The current China visit by President Shaykh Zayid Bin-Sultan Al Nuhayyan of the United Arab Emirates (UAE) will have a positive

impact on China's relations with the Gulf Arab countries, Chinese Communist Party General Secretary Jiang Zemin said today.

During a meeting with Zayid and his party here this afternoon, Jiang extended a warm welcome to the UAE president on his first visit to China.

Jiang spoke highly of the achievements made by the UAE Government and people under the leadership of President Zayid in the past 18 years.

Zayid expressed satisfaction with the smooth development of China-UAE relations, saying his country will consistently strengthen the friendly ties between the two countries.

Despite the difference in the geographical size between the two countries, Zayid said "China has consistently supported us, and a sincere, pure friendship has always been existing between us."

Jiang appreciated Zayid's remarks, saying China believes that all nations, big or small, rich or poor, should be equal to each other.

"It is our consistent position to develop friendly, cooperative relations with all countries on the basis of the five principles of peaceful coexistence," Jiang said.

Zayid expressed appreciation for China's consistent practice of not interfering in other countries' affairs and not allowing other countries to interfere in its internal affairs.

#### **Attends Beijing Soiree**

*OW0905130890 Beijing XINHUA in English  
1204 GMT 9 May 90*

[Text] Beijing, May 9 (XINHUA)—United Arab Emirates President Shaykh Zayid Bin-Sultan Al Nuhayyan and his party attended a soiree here this evening.

The soiree was arranged by the Chinese Foreign Ministry in response to the request of President Zayid himself.

The distinguished guests watched a programme of dance, acrobatics and magic. The performance was warmly received.

This morning, President Zayid and other guests toured the palace museum.

#### **Bids Farewell**

*OW1005112190 Beijing XINHUA in English  
1027 GMT 10 May 90*

[Text] Beijing, May 10 (XINHUA)—Chinese President Yang Shangkun went to the state guesthouse here this afternoon to call on Shaykh Zayid Bin-Sultan Al Nuhayyan, president of the United Arab Emirates (UAE).

While bidding farewell to each other, both Yang and Zayid held that the latter's visit to China has achieved very good results. Zayid said that the results are much better than expected. He hoped that the friendly relations of cooperation between the UAE and China would become the best in the world.

Yang Shangkun said that he would like to see more and more UAE visitors in China.

After their cordial farewell conversation, President Zayid and his party left Beijing for Shanghai and Suzhou before concluding their official and goodwill visit to China.

This morning, President Zayid visited the Great Wall.

#### **Wan Li Continues Tour of Middle East Countries**

##### **Meets Iranian President**

*OW0905175990 Beijing XINHUA in English  
1554 GMT 9 May 90*

[Text] Tehran, May 9 (XINHUA)—Wan Li, chairman of the Standing Committee of the National People's Congress of China, left here today for Iraq after a three-day official visit to Iran.

Hours before he flew to the Iraqi capital of Baghdad, the Chinese parliamentary leader met with Iranian President Hashemi-Rafsanjani and discussed with him bilateral relations between the two countries and regional and international issues of common concern.

In a written statement at the airport, Wan described his Tehran visit as "fruitful and successful," expressing the hope that the relations between China's National People's Congress and the Iranian Majlis (parliament) would be better and cooperation between the two countries in other fields closer.

Seeing Wan off at the airport, Iranian Majlis Speaker Hojjat al-Eslam Mehdi Karrubi told reporters that there is no problem in relations between Iran and China. He also called for closer bilateral ties.

The desire was also expressed by President Hashemi-Rafsanjani at a meeting here this morning with the visiting 75-year-old Chinese parliamentary leader.

Hashemi-Rafsanjani visited China in 1985 as the Majlis speaker then.

"I made a correct decision to visit Beijing as China is among few countries which maintain friendly relations with the Third World countries," the president told the Chinese official.

Hashemi-Rafsanjani said that bilateral relations between the two countries could further develop and Wan's visit would contribute to closer ties between the two Asian nations.



He also invited his Chinese counterpart Yang Shangkun to visit Iran at a convenient time.

Wan informed the Iranian president of the present situation in China, saying that despite some economic difficulties, the political, economic and social situation in China is improving through arduous efforts.

The Iranian president praised the achievements gained by the Chinese people.

During his stay here, Wan also met Iranian Foreign Minister Ali Akbar Velayati.

Wan was the highest Chinese official to visit Iran in the past 11 years. Before he came to Tehran, he had visited Pakistan.

#### **Arrives in Iraq**

*OW1005022090 Beijing XINHUA in English  
2343 GMT 9 May 90*

[Text] Baghdad, May 9 (XINHUA)—Wan Li, chairman of the Standing Committee of the Chinese National People's Congress (NPC), arrived here tonight on a three-day official visit to Iraq at the invitation of Sadi Mahdi Salih, speaker of the Iraqi National Assembly.

Wan was greeted upon his arrival by Salih and senior members of the Iraqi National Assembly.

Salih extended warm welcome to Wan and other members of the Chinese delegation, while Wan expressed his pleasure for visiting Iraq.

Salih said Wan's visit will "undoubtedly contribute to promoting bilateral relations between the two countries in various fields, particularly in the relationship between the Iraqi National Assembly and the NPC."

In response, Wan agreed to Salih's remarks, saying his visit will serve the interests of peace in Asia.

After a brief rest in the VIP hall of Baghdad International Airport, Salih accompanied Wan in a motorcade to the five-star "Al-Rashid" hotel where Wan will stay during the visit.

Wan will hold talks with senior Iraqi officials on matters of mutual interest to the two countries.

Wan arrived here from Tehran on a tour that has also taken him to Pakistan.

#### **Shanghai Mayor Meets, Fetes Pakistan Party Leader**

*OW0905223290 Beijing XINHUA in English  
1424 GMT 9 May 90*

[Text] Shanghai, May 9 (XINHUA)—Zhu Rongji, secretary of the Shanghai municipal committee of the Chinese Communist Party (CPC) and mayor of Shanghai, here this evening met with and gave a dinner for Begum Nusrat Bhutto, chairperson of the Pakistan People's Party (PPP) and a delegation led by her.

Zhu said that Shanghai and Karachi are sister cities. He said he believed that Bhutto's visit will contribute to the friendly contacts between the two cities.

The delegation flew in from Beijing this morning and visited a township near Shanghai this afternoon.

#### **Latin America & Caribbean**

##### **Prime Minister of Barbados Begins Beijing Visit**

###### **Arrives for Visit**

*OW0905184890 Beijing XINHUA in English  
1507 GMT 9 May 90*

[Text] Beijing, May 9 (XINHUA)—Prime Minister Lloyd Erskine Sandiford of Barbados arrived here this evening for a five-day official visit at the invitation of Chinese Premier Li Peng.

Among those greeting Sandiford and his party at the airport were Cai Cheng, minister of justice and chairman of the Chinese Government reception committee, and Deputy Foreign Minister Liu Huaqiu.

Sandiford's entourage includes his wife, Mrs. Angelita Petrona Sandiford, and Attorney General and Minister for Legal Affairs and Foreign Affairs Maurice King.

###### **Meets Li Peng**

*OW1005075590 Beijing XINHUA in English  
0659 GMT 10 May 90*

[Text] Beijing, May 10 (XINHUA)—Chinese Premier Li Peng and Barbados Prime Minister Lloyd Erskine Sandiford held talks here today.

Sandiford said that his visit to China ten years ago left him a very deep impression. After that visit, he added, he wrote a poem praising the Chinese people, and he hoped to write a new one this time.

As a big country, China has a great influence in the Third World, he said. "We hope that China will play a greater role in international affairs."

He said that Barbados and China are facing a common task, namely, striving to develop the domestic economy, raising people's living standard and seeking peaceful and just international relations.

Li Peng stressed that as a member of the Third World, China needs to develop its relations with other Third World countries. He said a good relationship exists between China and Barbados, adding that China wants to further consolidate and develop such relationship and continue to develop its relations with other countries in the Caribbean region.

Briefing the guests on China's domestic situation, Li Peng said that China plans to double its GNP in the coming ten years under a peaceful international environment and stable domestic situation.



Li and Sandiford also discussed ways to further the cooperative relations between the two countries.

Sandiford invited Li Peng to visit Barbados, and Li accepted the invitation.

Prior to the meeting, Li Peng presided over a ceremony in the Great Hall of the People to welcome Sandiford and his party. Present on the occasion were Chinese Vice-Premier Wu Xueqian, Foreign Minister Qian Qichen and Minister of Justice Cai Cheng, who is chairman of the Chinese Government reception committee.

### **Ecuadoran Foreign Minister Visits Lhasa**

#### **Meets Tibet Vice Chairman**

*OW1005000690 Lhasa Tibet Television Network in Mandarin 1200 GMT 7 May 90*

[Announcer-read video report; from the "Tibet News" program]

[Text] [Video begins with medium closeups of Puquang, vice chairman of the Tibet People's Government, greeting Ecuadoran Foreign Minister Cordovez and other Ecuadoran visitors indoors. Puquang is dressed in dark Western-style business suit. Video cuts to closeup of Cordovez, then zooms out slowly to Madame Cordovez sitting on his right and Puquang on his left during an informal meeting, cutting to Puquang briefing Cordovez through an interpreter. The camera pans the room, showing other Chinese and Tibetan officials dressed in Tibetan gowns or regular business suits.]

Ecuadoran Foreign Affairs Minister Cordovez, Madame Cordovez, and four other Ecuadoran officials arrived in Lhasa on the morning of 5 May.

At 1830 the same day, Puquang, vice chairman of the Tibet Autonomous Regional People's Government, met with the Ecuadoran visitors at the Tibetan-style meeting room at the Holiday Inn in Lhasa. In a friendly atmosphere, Vice Chairman Puquang briefed Foreign Minister Cordovez on Tibet's agriculture, animal husbandry, industry, energy, and communications; and especially the successes Tibet has achieved in various fields under the leadership of the Central People's Government since Tibet's democratic reform.

[Video shows medium closeups of Puquang presenting colorfully wrapped gifts to the Ecuadoran visitors, cutting to Puquang, Cordovez, and other Tibetan and Ecuadoran officials sitting at a dining table. The camera cuts to closeups of a standing Puquang reading, in Mandarin, from prepared notes. As he reads, camera pans the dining hall to show other Chinese and Ecuadoran officials present at the banquet; and then cuts to closeups of Foreign Minister Cordovez speaking without notes. Video ends with a wide-angle view of the banquet

and medium closeup shots of Puquang clinking glasses with Mr. and Mme. Cordovez. About 30 people are seen at the banquet.]

On behalf of the Tibetan Autonomous Regional People's Government, Vice Chairman Puquang presented gifts to the visitors. Then, Vice Chairman Puquang hosted a dinner in honor of the Ecuadoran visitors.

Making his welcoming speech, Vice Chairman Puquang said: Your Excellency Minister Cordovez has visited China many times and you have contributed significantly to the development of friendly relations between China and Ecuador and the peoples of the two countries. Your Excellency's current visit to Tibet will certainly enable you to understand China better.

Vice Chairman Puquang stressed: Tibet has always been China's sacred territory since the middle of the 13th century. It is a fact acknowledged by the whole world that all previous central governments effectively exercised their sovereignty in Tibet.

Vice Chairman Puquang also said that, since the lifting of the martial law order in Lhasa, Tibet's situation has been stable, its public order has been normal, its economy has been developing steadily, and the people has been living and working in peace and contentment.

Making his extemporaneously speech at the dinner, Foreign Affairs Minister Cordovez said: Visiting the Tibetan Autonomous Region has been my dream for many years. Like Tibet, Ecuador is a country on a plateau. When I set foot in beautiful Lhasa, I had the feeling that I had returned to my hometown.

Minister Cordovez wholeheartedly wished Tibet prosperity in all fields and the Tibetan people happiness.

#### **Departs Lhasa**

*OW1005004790 Lhasa Tibet Television Network in Mandarin 1200 GMT 7 May 90*

[Announcer-read video report; from the "Tibet News" program]

[Text] [Video begins with distant shots of a black sedan, followed by a silver sedan, heading toward one of the three jet aircraft of the China Civil Aviation Company parking on the apron of an airport, cutting to medium closeups of Ecuadoran Foreign Minister Cordovez and other Ecuadoran officials shaking hands with Chinese officials seeing them off.]

Ecuadoran Foreign Affairs Minister Cordovez, Madame Cordovez, and four other Ecuadoran officials successfully concluded their two-day visit to Lhasa and left by air this afternoon in company with Xu Yicong, deputy chief of the Department of Latin American Affairs of the Chinese Ministry of Foreign Affairs.

Seeing them off at the airport was Chen Ping, deputy director of the Foreign Affairs Bureau of the Tibet Autonomous Regional People's Government.

[Video shows the facade of a large temple, cutting to show Minister Cordovez, wearing a white silk scarf, walking toward the camera in front of the temple. The camera then shows the interior of a building in which female workers are sitting at frames weaving rugs.]

During their stay in Lhasa, Foreign Minister Cordovez, Madame Cordovez, and their party were accorded a hospitable reception by the Tibet Autonomous Regional Government. The distinguished guests visited the Potala Palace, the (Lobulinka), the Jokhang Temple, the Tibet Hospital, and the Lhasa Carpet Factory; and toured Bargar Street. They were deeply impressed with Lhasa's historical sites, Tibetan architecture, culture, and craftsmanship.

[Video shows the hostess of a Tibetan family serving tea to Minister and Madame Cordovez, and other Ecuadoran officials.]

During their stay in Lhasa, the distinguished guests also visited the (Qabaqili) family in (Gamaguisang) Township, Chengguan District, and they were accorded a hospitable and friendly reception there.

[Video slowly pans to show attendees having tea and a discussion in a room with mostly red Tibetan furniture, green carpet, and wall covered by light yellow fabric.]

Yesterday afternoon, responsible persons in charge of ethnic, religious, economic, and financial affairs in Tibet had an informal meeting with the Ecuadoran visitors in the Tibetan meeting room at the Hall of the Tibetan People.

[Video cuts to a traditional Tibetan dance, medium shots of people in a theater applauding, and medium closeups of Minister Cordovez shaking hands with performers, and Cordovez and other Ecuadoran officials having a group picture with the performers.]

On the evening the same day, the distinguished guests watched a literature and art show given by the Tibetan Song and Dance Ensemble. They were accompanied by Xu Yicong, deputy director of the Latin American Affairs Department of the Chinese Ministry of Foreign Affairs; Pan Zhengqi, deputy secretary general of the Tibet People's Government; and Chen Bing, deputy director of the Foreign Affairs Bureau of the Tibet People's Government. After the show, the distinguished guests went on stage to shake hands with the performers and had a group picture with them.

**Political & Social****Reportage on Release of 221 Student Dissidents****Release Announced**

OW1005060490 Beijing XINHUA Domestic Service  
in Chinese 0120 GMT 10 May 90

[Text] Beijing, 10 May (XINHUA)—A PRC Ministry of Public Security spokesman announced today that 211 offenders who violated the law and committed crimes while participating in the turmoil and counterrevolutionary rebellion in Beijing at the turn of spring and summer last year have recently been excused from investigation, given lenient treatment, and released. They include Cao Siyuan, Yang Baikui, Zhou Duo, Li Honglin, and Li Nanyou.

Earlier, on 18 January 1990, the Ministry of Public Security announced that 573 offenders who participated in last year's turmoil and counterrevolutionary rebellion in Beijing had been released because they had adopted a fairly good attitude by admitting their crimes and showing repentance during their investigations.

The spokesman of the Ministry of Public Security said: Now 431 offenders who participated in last year's turmoil and counterrevolutionary rebellion in Beijing are still under investigation by Beijing municipal public security organs. Some of them who violated the criminal law are being tried by judicial organs according to law.

The spokesman of the Ministry of Public Security pointed out: Although those who participated in the turmoil and rebellion committed certain crimes, they, no matter which social strata they belong to, may be dealt with leniently provided they adopt a good attitude, take the initiative in confessing their crimes, and are willing to repent and mend their ways. Acting consistently on the principle of combining punishment with leniency, public security organs will do everything possible to educate all those who can be educated. But they certainly will severely punish, according to law, those who obstinately stick to a wrong course, have no intention of mending their ways, and continue to do evil.

**Dai Qing Says 'Treated Well'**

HK1005075790 Hong Kong Hong Kong Commercial  
Radio in English 0430 GMT 10 May 90

[Text] China says it has released 211 people imprisoned after last year's pro-democracy demonstrations. Those freed included Dai Qing, a former newspaper reporter; Li Honglin, a prominent academic; and Zhou Duo, an official at a major computer company. The NEW CHINA NEWS AGENCY said they had been treated leniently and released when investigation had been completed. It said another 431 people are still being questioned by officials of the Public Security Department.

In a telephone interview, Dai Qing told Commercial Radio that she was set free yesterday and is in good

health. She said she was treated well during her detention. Dai Qing said she hoped the authorities would allow her to go back to her newspaper job. When asked about what she thinks about China's future, she said she had no comment. Dai Qing also said she hoped the government would arrange a news conference for her so that she can speak to journalists.

**Student Leader Reportedly Resumes Activities**

HK1005105190 Hong Kong CHIUSHIH NIENTAI  
in Chinese No 244, 1 May 90 p 10

[Article by Yi Ke-ren (2496 2047 0088): "A Wanted Student Leader Resumes His Activities"]

[Text] A student leader who is still on the wanted list in the mainland has recently resumed his activities and established an organization called the "Chinese Democratic National Salvation Front." The student leader who has resumed his activities is Zhai Weimin [5049 0251 3046], one of the elements who topped the wanted list of the 21 student campaign mainstays issued by the Public Security Bureau of Beijing last year.

According to an article by journalist Huang Mingzhen [7806 2494 3791] carried in the 19 March issue of *Globe and Mail* of Canada this year, Zhai Weimin had contacted foreign journalists not long ago through persons who were close to him. He revealed his recent situation and his legendary experiences after "4 June" last year.

Zhai Weimin said that he and some students withdrew from the square at dawn on the day of the "4 June" suppression. He was bleeding then, and he was rescued near the square. The persons who rescued him gave him food and let him rest. Later, someone told him that he was on the wanted list. During his escape, he passed through many places, and people always sympathized with him and helped him. One day, he was on a train when he heard a broadcast concerning Beijing's issuance of a wanted circular. He told the students who were on the same train his identity and showed them his identity card. They were momentarily stunned, but they all tried to protect him. They found a train attendant and got him out of the railway station.

At present, Zhai is still carrying his student card from the Beijing Institute of Economics, but he also has a false identification document. While he was in Beijing, he lived in guesthouses but changed places often. Once, he saw a wanted circular posted in a guesthouse, but no one noticed him. In places outside Beijing he can still move around freely, and his food and clothes are provided by people who sympathize with him.

He feels that the massacre last year had merely revealed the government's weaknesses. His deepest regret is that he was unable to persuade students to leave the square sooner and thus avoid the massacre.

He has no intention of leaving his country nor seeking asylum in foreign consulates. If he manages to go abroad

in the future, he hopes to study the political and economic systems of foreign countries and to be able to return frequently to China where he has duties to fulfill.

Sources close to Zhai Weimin said that the "Chinese Democratic National Salvation Front" was established on 25 February in Beijing. That day, 60 nucleus members participated in a three-hour secret meeting. A western diplomatic personality said that in mainland China's current situation, a wanted student leader resuming his activities was explosive news indeed.

### Xi Zhongxun Urges Young To Help Poor Areas

OW1005025890 Beijing XINHUA Domestic Service  
in Chinese 1352 GMT 8 May 90

[By reporter Dou Guangsheng (4535 1639 3932)]

[Text] Beijing, 8 May (XINHUA)—After hearing reports made today by "Scientific and Technological Service Corps of Youth for the Old Revolutionary Areas," sponsored by the Communist Youth League of China Central Committee, Xi Zhongxun, vice chairman of the National People's Congress Standing Committee, said: It is necessary to rely on science to invigorate agriculture, industry, and the nation in the nineties. Youth is the hope of a nation. Young intellectuals must continue to follow the road of combining industry and agriculture, going down to grassroots units and rural areas to make contributions to rejuvenating the motherland.

The Communist Youth League Central Committee organized a "Scientific and Technological Service Corps of Youth for the Old Revolutionary Areas" this May. The corps is composed of 55 young scientific and technological workers from the Chinese Academy of Sciences, Qinghua University, Beijing Agricultural University, and Beijing University of Forestry. They went to rural areas in eight counties in six provinces, including Yanan, Jinggangshan, Yimengshan, Dabieshan, and Wulingshan. Along with the strategy of economical development in the old revolutionary areas and youth development projects, they organized themselves to do the work of invigorating agriculture by relying on science and technology. They also deepened the work of helping the poor get rid of poverty and accelerated the youth work and economic development in the poor areas.

Xi Zhongxun said: Young men must integrate the knowledge they have acquired with reality. It is also necessary to combine learning with practice. Anyone who does not combine the knowledge acquired with reality is doomed to failing to achieve anything. You have made a successful attempt this time and scored great achievements. You must tell your stories to your students after returning to school and persuade them to go to the countryside, too. When you go to a new place you must watch, listen, and learn. It is necessary for you to do more and talk less and learn with a humble heart the glorious tradition of the people living in the old revolutionary areas. You must be determined to become a useful person to the motherland.

Liu Yandong, secretary of the Secretariat of the Communist Youth League of China Central Committee, said: The corps went to the old revolutionary areas to disseminate scientific and technological information and help solve production problems. They have provided very good experience for the organs of the Communist Youth League of China in helping the poor by relying on science and technology. Facts have proved that this practice has done a real service to the people in the old revolutionary areas in helping them get rid of poverty. In addition, these young people have learned the spirit of unselfish devotion from the people living in the old revolutionary areas. She urged them to uphold the scientific and technological service of youth as an effective form and make it as a tie linking the service of the intellectuals of large and medium cities to the people living in the poor areas. She also urged to establish a long-term service contract with the old revolutionary areas and to turn these places into a base for practice. Four members of the corps from the Beijing Agricultural University, Qinghua University, the Chinese Academy of Sciences, and Beijing University of Forestry made reports on the work of going to the old revolutionary areas and their experiences.

### Shanxi's Wang Maolin on Stability, Reform

HK1004140390 Beijing RENMIN RIBAO in Chinese  
26 Mar 90 p 6

[Article by Wang Maolin (3769 5399 2651), deputy secretary of Shanxi Provincial CPC Committee: "Correctly Understand the Dialectical Relations Between Stability, Reform, and Development"]

[Text] The 1990s are a crucial decade in China's development. The important tasks placed before the Chinese people and the CPC are stability, reform, and development. We must further deepen the reform, perfect the socialist system, strive for overall economic and social development, and realize socialist modernization while maintaining political stability. A correct understanding of the dialectical relations between stability, reform, and development and properly handling them in terms of guidance and practice are of important and practical significance to our efforts to keep the whole situation under control, to maintain perpetual political stability and rapid development in China, and to ensure the smooth progress of socialist modernization.

Stability means maintaining a political situation characterized by sustained stability and unity in China under the CPC's leadership. Stability includes political, economic, and social stability as well as ease of mind on the part of the public. The key problem is to maintain political stability and a stable political situation. Stability is the basic precondition for reform and opening up. We will accomplish nothing without stability. As pointed out by Comrade Deng Xiaoping: "As far as China's problems are concerned, an overriding need is stability. Lack of a stable environment will destroy everything, including the achievements that we have



already made. Our country needs to be reformed, and this certainly needs a stable political environment. Without this we can accomplish nothing."

Stability is an overriding need. This is a common understanding among all the Chinese people and a conclusion drawn from history. For more than 100 years from the Opium War to the founding of the PRC, China suffered from frequent wars and economic stagnation. The history of a backward and defeated China full of humiliation has told us that China cannot stand any more massive turmoil. Both positive and negative experiences since the founding of the PRC have also told us that the economy will boom whenever the country enjoys political stability; and the economy will stagnate or will even be destroyed whenever the country suffers social turbulence. Turmoil during the 10-year "Great Cultural Revolution" did tremendous damage to China's economy. This is an unforgettable experience to every Chinese. The very reason why we managed to achieve successes that attract worldwide attention—in the past 10 years of reform and opening up since the Third Plenary Session of the 11th CPC Central Committee—is because our party and state have managed to maintain a sustained political and social stability. We must convince every Chinese who wants to reinvigorate the motherland that, in maintaining a sustained stability in a big country like ours with a large population of 1.1 billion which had been fully devastated by wars and turmoil and had suffered untold miseries, we will safeguard the future and hope of the country and nation. Consolidating and developing a political situation of stability and unity is in the highest interests of the state and the people. Without stability and unity there will be no socialist modernization and no hope of reinvigorating the Chinese nation. Whoever tries to undermine stability and unity by stirring up trouble among the masses under whatever fascinating slogans will surely be condemned by history and by the Chinese nation.

We say that stability is the precondition for reform because only stability and unity can create a fine social environment for reform. Any reform will bring about social changes. Any reform, either of the political or economic structure, will create something while destroying others. The abolishment of a traditional structure and the establishment of a new structure will inevitably involve a readjustment of the interests of all social strata, groups, and individuals, thus clashes and conflicts are unavoidable. Generally speaking, a period of reform is usually a period full of sharp and complicated social contradictions and conflicts, which may add to factors for social instability and thus increase the degree of difficulty of the reform. For this reason, a period of reform needs a political situation of unity and stability even more than other periods do. In order to straighten out all kinds of relations, remove all obstacles, and push ahead the reform we must first ensure unity within the leading body, then we demand that the leadership and the masses reach a common understanding and work with one heart and one mind.

Without stability and a political situation of unity and stability, reform will be impossible or, even if a reform is started, it will be given up halfway and finally fail.

Stability is not only a precondition for development but an important part of development and an important criterion for assessing a society's development standard. Pure economic growth is not equal to development. This is a view even bourgeois economists would accept. Marxism defines development as social progress—an overall economic and social development. First of all, the development of the productive forces of a society and the increase in its economic power are mainly reflected in the increase in the GNP and a moderate growth rate. These are the basis of development. The fundamental task of socialism in China is to raise the country's productive forces. The prosperity of the country and the prosperity of the people after all rely on development in the productive forces and economic power. It is in this sense that the national development strategy in "three steps" drawn up by the CPC central authorities has taken the redoubling of the GNP as a major target. On the other hand, our ultimate goal in striving for development must be the improvement of the masses' material and cultural living standards. We are to realize overall progress in the economic, political, social, cultural, and scientific and technological fields as well as an enhancement of cultural civilization, and we are to ensure the common prosperity of all the people, the prosperity of all the nationalities, and a perpetual political stability across the country. According to the requirement of this view on development, stability and development are obviously inseparable—a development must be something achieved in a stable process and such a development will naturally lead to social stability. However, development and stability are not natural companions in economic growth. Most Western countries are more economically developed than China. But in these countries social wealth is concentrated in the hands of a small number of people; social injustice, class oppression, racial discrimination, moral degeneration, drug addiction and trafficking, terrorist activities, the spread of AIDS, and numerous other social problems have stripped people of their sense of security and stability. In the reform and opening up, we are to introduce technology and management techniques from the West but reject the systems of the West and resolutely resist the corrosion of Western decadent ideologies. The idea of "total westernization" can never bring about socialist development and progress in China but will only cause chaos, turbulence, and social retrogression.

The relations between stability, reform, and development is a dialectical trinity. As parts of the trinity, the three are mutually dependent and indispensable to each other. Stability is the precondition, reform is the motivation and approach, while development is both the goal and a historical process. These three parts form a trinity. The development of socialism, as a historical process, is pushed forward by the basic contradictions of a society, namely the contradiction between the productive forces

and the relations of production and that between the superstructure and the economic basis. As the outcome of the movement of these basic contradictions of society, sometimes reform may turn out to be the major contradiction and sometimes stability becomes a very prominent phenomenon. The aim of our reform over the past 10 years is to reform those links and aspects of the relations of production and of the superstructure that do not suit the development of the productive forces, while upholding the socialist system. But it is necessary to particularly emphasize stability when a series of social problems arise and endanger the long-term development of the country because the social changes caused by the reform have developed to a certain extent, and especially because some shortsighted pragmatic behavior has caused economic fluctuation.

At present, the contradictions that we are facing are very complicated. In the economic field, the past few years witnessed an overheated economy; the phenomenon that the aggregate demand exceeds the aggregate supply; and the imbalance in the production structure, inflation, and price increases. Last year we experienced a massive political contretemps and paid quite a high price for it. Now some Western countries are trying to isolate us from the international community and are applying economic sanctions against us. At the moment, the international situation is changing drastically, many unexpected events have taken place, and the danger of "peaceful evolution" is aggravating in the wake of infiltration against socialist countries staged by Western hostile forces. Under such an international and domestic climate, safeguarding stability in the country and in society is an overriding task.

In the final analysis, correctly handling the relations between stability, reform, and development is by no means an abstruse theoretical problem but a practical one. With the focus placed on stability as a major issue, what principle are we going to pursue as the guideline for our work?

**First, to maintain political stability we must uphold the principle of positive stability.**

The stability we want is not a conservative and passive stability, nor a stability maintained for the sake of stability, still less a stagnant stability. To implement the principle of positive stability we must, in the first place, unswervingly implement the principle of "one center and two basic points," do a good job in the economic improvement and rectification operation and in the in-depth reform, and boost the economy. A stability without reform and development is a false stability which cannot last. We must base ourselves on reform and development; face difficulties squarely; raise our morale; do economic work in a down-to-earth manner; try our best to fulfill the target for economic growth; and for the time being we must attach special importance to agricultural production and to the production of industrial goods that have an important bearing on the people's livelihood and try to increase effective supply. Only

in this way will we be able to stabilize commodity prices, pacify the people, and stabilize the situation. In the next place, we must conscientiously strengthen party building, strive to improve the party's leadership, and give full play to our favorable conditions in the political field. In order to improve and strengthen the party's leadership, we must particularly close the flesh-and-blood ties between the party and the masses. This is the fundamental guarantee of stability. We must pay great attention to party building, with the focus laid on further intensification of the fighting power of party organizations and improvement of the quality of party members. All the leading cadres of the party and all our party members must steadfastly uphold the ideal of serving the people and adhere to the party's mass line. The masses are the basis of our party and the people's regime. At present, we are faced with some temporary economic difficulties and the masses are faced with quite a few practical problems. This demands that our leading cadres at all levels immerse themselves among the masses, have a clear picture of the situation, and take real action to resolve problems for the masses. It is necessary to resolutely fight corruption and continue the operation against graft and bribery, the investigations into major and important cases, and the development of clean and honest government. Only when the ties are strengthened between the party and the masses and when the people are pacified will it be possible to safeguard the stability of the people's regime and the political situation.

In adopting the principle of positive stability we must also devote great efforts to promoting education in the four cardinal principles and step up the development of socialist spiritual civilization. The four cardinal principles are the foundation of our country and also the core of socialist spiritual civilization. History has already shown that only the four cardinal principles can unite all the people in terms of will and action in a large country like China. Casting a unitary and powerful spiritual pillar with the four cardinal principles as the main theme of the socialist spiritual civilization is a radical measure to safeguard stability under the new historical conditions.

**Second, the reform must be carried out steadily and safely and it is necessary to promote political and social stability by deepening the reform.**

How to correctly handle the relations between stability and reform? To do so we must integrate reform with stability. At present, there are three erroneous views on the reform: 1) some people have repudiated the reform just because there are some faults and shortcomings on the part of the reform; 2) some people have set the current economic improvement and rectification operation against the reform, reckoning that economic improvement and rectification signifies "a setback in the reform" and "a retrogression;" and 3) some people have repudiated the reform from the point of view of bourgeois liberalization believing that a reform of the political structure is to establish the Western democratic

system featuring the "balance of powers," that a reform of the economic structure is to turn public ownership into private ownership and to introduce a market economy, and that nothing else can be called reform. In order to integrate the reform with stability, we must avoid and oppose the above three erroneous tendencies. We must adopt the view: there will be no stability if we do not carry on and deepen the reform; there will be no stability if we fail to stick to the correct orientation of the reform but let it slip into the capitalist track; and we will also possibly suffer from instability if we are too anxious for quick success.

We must continue to enhance our sense of reform and opening up while safeguarding stability. China's reform is irreversible and the trend of reform is irresistible. The greatest contribution of the collective leadership of the second generation headed by Comrade Deng Xiaoping is that they put an end to the turmoil of the 10-year "Cultural Revolution" and led China into the historical process of reform. Comrade Deng Xiaoping is the general designer of the reform. Repudiation of the reform means to repudiate the policies and line that have been pursued since the Third Plenary Session of the 11th CPC Central Committee, and any draw back will of course lead to nationwide chaos. On the other hand, China's reform is a process of self-improvement of the socialist system on the condition that the four cardinal principles are upheld, and the purpose of the reform is to bring the superiority of the socialist system into full play and to perfect and consolidate the socialist system. The kind of reform advocated by those who insist on bourgeois liberalization means to totally repudiate socialism. The masses say: A "reform" like that does not bear the brand of the Communist Party, and in such a reform the socialist banner and the proletariat's leadership will be given up. In consequence, the country will be thrown into turbulence and chaos. We must steadfastly stick to the orientation of reform, only thus will we be able to hold high the socialist banner.

Upholding the principle of integrating stability with the reform means to integrate the economic improvement and rectification operation with the in-depth reform. The reform and the economic improvement and rectification operation complement each other—the latter can provide the reform and opening up with better conditions and help readjust, supplement, and perfect all the reformatory measures that have been adopted, thus ensuring the smooth development of the reform along the right track. The economic improvement and rectification operation is to achieve economic and social stability. We must not be too anxious for quick success in the reform. We can seek progress, good results, and rapid results only on the condition of stability. This requires us to adopt appropriate and safe policies and carry out the reform at a steady pace. Care must be taken to straighten out all kinds of relations and to prevent any rash action. To prevent faults, repeated feasibility studies and careful preparations must be made before any major reformatory measure is put forth. It is necessary to constantly

sum up experience and ensure stability and continuity of all measures that have been taken.

**Third, development must be steady, and the slogan of "sustained, stable, and coordinated development" should be taken as our basic guideline in economic and social development.**

The development process in the next 10 years will be a process in which we will have to forward social reform while maintaining social stability, and in which we will have to boost economic growth while improving the people's material and cultural living standards. The slogan of "sustained, stable, and coordinated development" is a guideline put forth by the CPC central authorities for the economic development of China. But it also applies to all aspects of economic and social development. The word "sustained" denotes the nature of development as a gradual process. As a long process of quantitative change, development should be based on the existing conditions and be going on stage by stage and step by step. Full consideration must be given to the objective feasibility and the masses' readiness to accept changes; and it is necessary to keep making progress bit by bit. Stability means the balance in development. Development is achieved in a wave-upon-wave manner. But we must absolutely avoid drastic fluctuation and massive precipitous action. Instead we must keep a moderate speed, minimize the margin of periodical fluctuations, and make regular "slight adjustments" to prevent large-scale readjustments and remarkable changes after serious imbalance. Coordination denotes the synchronism of development in various fields. Different sectors of an economic society are linked together in a kind of order under a certain structure, and they must maintain reasonable proportional relations in the course of development. We must not only do our best to rationalize the economic structure, especially the production structure, but must also ensure that economic development will synchronize with cultural, scientific and technological, and educational development; that economic growth will keep pace with social development and environment improvement; and that attention be paid to the building of both material and spiritual civilizations, neither of these two aspects should be overlooked.

The integration of development and stability is a need determined by China's national conditions and the objective laws. China has a large population, a poor basis, and limited resources. And economic and social development is extremely unbalanced in different parts of the country. This determines that China's modernization will be a long and arduous historical process and a process of constant, gradual, accumulative change, which cannot be accomplished overnight but through protracted efforts. We will be faced with the wrath of heaven if we ignore our national conditions, violate the objective laws, be overanxious for quick success, and indulge ourselves in illusions when guiding work and



formulating the strategy for economic and social development. History has proved that the "Great Leap Forward," any "Western-style great leap forward," any rash and precipitous practice, and any overheated economic growth like what was experienced in the past few years can achieve nothing but bring about a major economic imbalance, lead to stagnation and a decline of economic and social development, give rise to various unstable factors, and trigger off social turmoil. This is a profound lesson that we must draw.

By and large it is necessary to correctly understand and handle the dialectical relations between stability, reform, and development; to maintain political stability; and to ensure steady progress in reform and development. This is a guideline for our work in the days to come. The coming 10 years are the most crucial decade to China. All countries, poor or rich, will have to face the 21st century. And all social systems will have to undergo the rigorous test of history in acute competition. So long as we can achieve success in the reform and fulfill our strategic goal for well-to-do living standards while maintaining social stability, our nation will certainly be able to establish a new standing among other nations of the world.

#### Merit of Lei Feng Campaign Focus of Struggle

HK1005020890 Hong Kong SOUTH CHINA  
MORNING POST in English 10 May 90 p 10

[By Willy Wo-lap Lam]

[Text] An intense struggle has broken out among the top leadership on the merits of the Campaign to Learn From Lei Feng, the soldier martyr lionised by Mao Zedong in the early 1960s.

The campaign to learn from the "self-sacrificing screw of the revolution", launched late last year, has spearheaded the drive to restore orthodox Marxist values to most areas of Chinese life.

However, relatively moderate leaders, including party General-Secretary, Mr Jiang Zemin, and Politburo member, Mr Li Ruihuan, resented efforts by the military and by hard-line ideologues to use the Lei Feng movement as a vehicle to seize power.

"Political commissars in the military have taken advantage of the Lei Feng campaign to ask the whole nation to learn from the People's Liberation Army [PLO]," a Chinese source said.

"By stressing that Lei Feng did not take one cent for the good work he did for the party, the ideologues are attacking efforts by reformists to spur productivity through higher pay."

The main brains behind the Lei Feng movement are General Yang Baibing, the army Chief Political Commissar, who has been trying to extend his influence to the entire ideological and propaganda establishment.

Since late February, when he visited the Daqing Oilfield in northeast Heilongjiang province, Mr Jiang has instead pushed the Campaign to Learn From Daqing.

Mr Jiang and his associates have specifically cited the contributions of "Iron Man" Wang Jinxi, the head of a drilling team in Daqing who shot to national fame in the 1960s for his herculean contributions.

The Chinese press yesterday reported that at the Great Hall of the People in Beijing, representatives from Daqing led the nation's model workers in giving a series of lectures on the value of hard work and other proletarian qualities.

According to the NEW CHINA NEWS AGENCY, Mr Shen Guan, head of the "Wang Jinxi Drilling Team" gave a report on the contributions of the group to the development and construction of China's oil industry.

Mr Jiang took part in the lecture and extolled the virtues of Mr Shen and other model workers.

"Like the Lei Feng movement, the Daqing campaign, whose slogan is 'Patriotism, Enterprise, Science and Dedication' asks the people to devote themselves to the party and nation," a Western diplomat said.

"However, the exemplars of the Daqing Spirit are workers, not soldiers. And unlike Lei Feng and his clones, who did nothing more than contribute to the Mao cult, the Daqing workers have observed 'scientific' working methods and piled up riches for national coffers."

According to Chinese sources, since visiting Daqing, Mr Jiang, in his capacity as Chairman of the Central Military Commission, has instructed the army's General Political Department (GPD) to carry out the Learn From Daqing Campaign in the PLA.

However, the military commissars have boycotted the Daqing campaign and the LIBERATION ARMY DAILY, the mouthpiece of the GPD, has not given it any publicity.

Since the spring, relatively-reformist cadres have indirectly cast aspersions on the Lei Feng movement.

At the end of the National People's Congress, the Heilongjiang governor, Mr Shao Jihui, noted that the Government Work Report of the Prime Minister, Mr Li Peng, was not balanced because it praised only the Lei Feng spirit but failed to mention Daqing.

The most direct attack on the Lei Feng movement, however, was launched by Mr Li Ruihuan, who is in charge of ideology and propaganda.



**Emulation of Model Cadre Jiao Yulu Urged***OW0905204990 Beijing XINHUA Domestic Service  
in Chinese 1455 GMT 9 May 90*

[RENMIN RIBAO 10 May Editorial: "Leading Cadres Should Emulate Jiao Yulu"]

[Text] Beijing, 9 May (XINHUA)—In the arduous and yet heroic 1950's and 1960's, a number of heroes and models emerged across the land of China. Like banners and torches, they inspired the Chinese people to overcome difficulties and win victories. The power of models is inexhaustible. Comrade Jiao Yulu was a typical model known to every household at that time. The secretary of the Lankao County CPC Committee in Henan Province died at 42. He is still remembered by people today and will forever remain a model for us, especially a model from which leading cadres can learn.

In learning from Jiao Yulu, leading cadres should first and foremost emulate his spirit of serving the people wholeheartedly. To serve the people wholeheartedly is the fundamental goal of the CPC. Leading cadres at all levels are public servants of the people, who are the masters of the country. Jiao Yulu knew where he stood. As the secretary of the county party committee he bore in mind the well-being of the people, thinking of nothing but the benefit of the people and exerting his utmost until his last moment. This is called struggling for communism all one's life, or sacrificing everything for the party and the people. This is called the Jiao Yulu spirit. Why do the masses often reminisce about the party style and social conduct of the 1950's and 1960's? One of the very important reasons is that at that time there were a number of good cadres like Jiao Yulu who were admired and supported by the masses from the bottom of their hearts. Today, whenever we call for improving party style and social conduct and working assiduously, the masses often look up to their leaders for examples. Naturally, those below will follow the example of those above. If leading cadres at various levels do not set a good example, they will not have the right to speak and will not have appealing power. Regrettably, today some leading cadres neglect the party's fundamental goal and their position as public servants and do things that are abhorred by the people. For example, power abuse and bureaucratism exist in some party and government organs and, in some cases, are very serious. Although such leading cadres constitute only a very small number, their behavior has undermined the party's prestige and aroused the resentment of the masses. In calling on leading cadres to emulate Jiao Yulu, we want them to serve the people wholeheartedly.

Jiao Yulu was a model in maintaining close ties with the masses. Filled with profound sentiment for the masses, he always bore in mind their interests and exerted his utmost to render concrete service to them. He often went deep into rural villages and farming households—the hardest and poorest places—to listen attentively to the voice of the masses and solve their problems, conveying the kind concern of the party for the masses. He led

members of the county party committee to visit victims of a famine at a railway station. During a snowstorm, he demanded cadres of the county party committee go out of the office to deliver relief grain and funds to peasants. He entered a peasant's thatched cottage, sat on the bed, and called himself the peasant's son. The masses could not but support such a leading cadre and follow such a trustworthy cadre in building socialism. Only with the support of the masses is it possible to grasp the initiative of leadership work. Without the support of the masses, nothing can be accomplished. Joining revolution in the difficult years of war, Jiao Yulu was deeply aware of the importance of maintaining close ties with the masses. Under the circumstances at that time, should a cadre have divorced himself from the masses it would be very dangerous to his life, not to mention winning victories. By the same token, in the period of construction cadres should not be divorced from the masses; otherwise they will forfeit their prestige or even cause sharp confrontations with the masses and ultimately lose their ground. The masses are the source of strength and victory of our party. The "Decision of the CPC Central Committee on Strengthening the Ties Between the Party and the People," adopted by the Sixth Plenary Session of the 13th CPC Central Committee, calls for resolutely overcoming the malady of being alienated from the masses, going all out to improve party style, building closer ties between the party and the masses, increasing the party's cohesive power and fighting capacity, and uniting all forces that can be united in the joint struggle. [Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese on 10 May on page 1 adds: "This 'Decision' will be of great immediate significance and far-reaching historical significance. With the Jiao Yulu spirit of going deep among the masses and maintaining ties with them, the leading cadres at all levels should earnestly implement this 'Decision' made by the CPC Central Committee under new historical conditions."]

Jiao Yulu was a model of hard struggle. Lankao, an impoverished county, was plagued by the "three calamities" of floods, sandstorms, and saline-alkali soil. In order to eliminate the "three calamities," he surveyed the flood torrents, trekked in the hazy sandstorm, and visited every corner of Lankao conducting in-depth investigations and studies to work out effective control measures and giving his all to change the county's appearance. He led a frugal life and was strict on himself. He wore socks that were mended time and again; he sat on the same old rattan chair all his life; he did not have the cash to buy a movie ticket; and so on. These are trivial but very touching deeds. He went to Lankao not to assume an official post, but to make revolution; not to enjoy comforts, but to endure hardships. After his death, the people of Lankao mourned with deep grief, saying that he died of exhaustion on their behalf. Building socialism is a magnificent and yet arduous undertaking which requires the hard struggle of the broad masses, leading cadres in particular. As early as in 1945, Comrade Mao Zedong, in his closing speech at the Seventh CPC Congress, called on us to make determined efforts

and brave sacrifices to overcome difficulties and win victories. Talking about the fable of "a foolish old man who removed the mountain," he urged communists to be the "foolish old man" by relying on the concrete action of continuously digging the mountain to move the "god"—the masses. The masses rose to remove the three big mountains of imperialism, feudalism, and bureaucratic capitalism. In building socialism it is necessary to successively remove big mountains and to rely on communists, especially leading cadres at all levels, to continuously remove the mountains and to take concrete action to move the "god." Jiao Yulu's spirit of hard struggle touched the hundreds of thousands of "gods" in Lankao who then rose to easily solve the problems in the county.

It has been more than two decades since Jiao Yulu died. Great improvements have been made during that time, and the China's outlook has undergone a tremendous change. Some comrades ask: Under the situation of reform and opening to the outside world, the development of a socialist commodity economy and the implementation of diverse forms of distribution—with pay according to work as the predominant form—have changed the production conditions and improved the living standards. Hence, the tasks and methods of work should also be changed. Will the rebirth of model Jiao Yulu work? We believe that the Jiao Yulu spirit will forever retain its youthful radiance. Despite all changes, the party's goal of serving the people wholeheartedly must not be changed, and the glorious tradition of forging close links with the masses and the spirit of hard struggle must not be changed. Moreover, the Jiao Yulu spirit may work even more effectively in curing the shortcomings of certain leading cadres. Emulating and publicizing Jiao Yulu also means supporting many good cadres who have worked hard, selflessly, and quietly. Furthermore, we should realize that although the situation in the country is better and the people are more prosperous than in the 1950's and 1960's, we are still confronted with many difficulties and problems in building socialist material and spiritual civilization and we still need to rely on the spirit of such a figure as Jiao Yulu to inspire and build up the people's fighting spirit. People need a spiritual pillar. Leading cadres should stir themselves even more and acquire a high fighting spirit. In restudying Jiao Yulu, naturally we should not reminisce about his past deeds in a passive way. We should not just publicize his deeds in a perfunctory manner, but should actively inherit and carry forward the party's fine tradition in leading the masses to accomplish the current tasks put forward by the party Central Committee. "Every generation produces its capable people." We can say for sure that there will be more good cadres like Jiao Yulu

emerging in the 1990's. They will work harder and serve the people more splendidly.

#### Editorial on Strengthening Ties With People

HK0905111590 Hong Kong WEN WEI PO  
in Chinese 27 Apr 90 p 2

[Editorial: "A 'Decision' Based on the Interests of the People"]

[Text] The full text of the "Decision on Strengthening the Ties Between the Party and the People Made by the CPC Central Committee" passed at the Sixth Plenary Session of the 13th CPC Central Committee has been published. This "decision" is said to be as significant with respect to its role as a guiding principle as the communique of the Third Plenary Session of the 11th CPC Central Committee and the "theories at the early stage of socialism" put forward at the 13th CPC National Congress. On this decision, Li Ruihuan recently delivered a long speech which is of much help to people in understanding why this "decision" was made and in knowing its role as a guiding principle to China's political and economic life in times to come.

"To strengthen ties with the people" has become a contemporary saying in the mainland. As far as its essence is concerned, however, this is in line with the precious experience of the Chinese nation in governing the country and stabilizing society through hundreds of years. In his speech, Li Ruihuan quoted some old sayings such as "the people are precious and the emperor is unimportant," "the people are the foundation of a country, and when the foundation is firm there will be peace," "the people are like water on which boats float and by which they are drowned." They are certainly wise sayings that have proven to be true through thousands of years. If we act according to them, we "will win the people's heart." Xun Zi said a long time ago: "A ruler will become wealthy if he gains the strength of the people. He will become strong if they are willing to die for him. He will have glory if he gains their praise." Cui Dunli of the Song Dynasty also said: "When one has the people work for him he will be prosperous. When he shoulders the worries of the people he will become healthy. When the people are willing to die for him he will become strong." When the people are willing to strive for the country it will become prosperous and will develop. Therefore, the relations between the ruling group and the people are definitely linked with the survival and growth of a country. This decision made at the Sixth Plenary Session of the CPC Central Committee can be said to be an excellent policy made by summarizing the complicated situations at home and abroad over the past few years. The key to the stability of a country is to please the people's feelings. Only when the policies of the ruling party gain the support and welcome of the people will the people be pleased with and submissive to the party and will they have flesh-and-blood relations.

The policies of reform and opening up put forward at the Third Plenary Session of the 11th CPC Central Committee and the theories at the preliminary stage of socialism expounded at the 13th CPC National Congress have established whether the productive forces will be liberated or not as the criterion for measuring the advantages and disadvantages of China's system and policies. To achieve this objective, it is necessary for high-ranking officials to understand what the grass-roots love and what they are worried about. As Li Ruihuan said: "Let the feelings and voices of the people be the number one signal." To have a full understanding of the popular feelings the ruling group must be open-minded and open-spirited; the actual morale of the people can only be reflected in the speeches, acts, and policies of the ruling group. In this way, there will not be "separation" in the relations between the party and the people.

China's situation as a whole is stable, but it is still faced with great difficulties. Its economy has not improved yet. This is attributable to both economic reasons and to what the people feel and think. In light of this, the ruling party must not look at it as a purely economic problem as if it "focuses on an object rather than on a person himself." The CPC's decision embraces nine tasks, that is the fact that it demands the ruling party to really "go out of the people and go into them" as far as the crucial link of "gaining the confidence of the people" is concerned. It is undeniable that when great achievements have been gained from the reform and opening up and when the people's living standards have rapidly improved, some CPC officials have separated themselves from the people, indulged themselves in pleasure and comfort, and become corrupt and degenerate, causing great dissatisfaction among the people and drawing the concern of overseas compatriots. Taking into account the successes and failures over the past decade and looking from the perspective of the country's growth, weakness, decline, and extinction, the CPC made the decision of strengthening its ties with the people. This shows that the new CPC leaders have taken hold of the key of the current problems and made the decision its most important thing to accomplish in the 1990's. This is of great help to the stability, prosperity, and development of China. As time elapses, people at home and abroad will gradually have a clear understanding.

Of course, an important and correct "decision" is only the first step. The more important and strenuous thing is to put it into practice. Under this grim situation, the ruling party must be concerned, always face challenges, and encourage the people as a whole to strive hard. The Chinese nation has suffered tremendously over the past few thousand years. It has gone through numerous disasters and dangers, and finally it towers in the east of the earth. This strong vitality has given birth to the abundant wisdom and tenacious strength of the Chinese nation. If the wisdom and strength can be stimulated and used, the 1.1 billion Chinese will be able to overcome all difficulties.

### Commentator's Article on Ideological Work

HK0905130590 Beijing GUANGMING RIBAO  
in Chinese 10 Apr 90 p 1

[Commentator's article: "Persist in Strengthening Work on the Political and Ideological Front"]

[Text] Premier Li Peng pointed out emphatically in his government work report that a new turn had appeared on our political and ideological front after the lessons gained from last year's turmoil and rebellion were summed up. This inference has correctly summarized the profound changes which have taken place on our political and ideological front, and reflected a significant aspect of the historical success scored over the past year by the people of all nationalities in our country. Fully understanding this historical success which is not easy to come by, tightly grasping this new turn on our political and ideological front, making positive use of the situation, and persisting in reinforcing the work along this front are undoubtedly of extreme significance to arousing our national spirit; further consolidating political, economic and social stability; and ensuring our country is advancing along socialist lines.

A few years ago, because of a slackening and weakening of work on the political and ideological front, a situation appeared in which the building of material civilization was firmly grasped while the building of spiritual civilization was slackened which resulted in the spread of the bourgeois liberalization trend. A small "elite" holding onto bourgeois liberalization blatantly promoted theories such as "Marxism is out-of-date", "capitalism is superior", "socialism has failed", and "China should be totally westernized", as well as bourgeois democracy and political system. These people were not checked and criticized as they should have been. They generated chaos in the thinking of the people, especially in that of young students. Unhealthy trends such as treating guests and proffering gifts, eating and drinking more than one's fill, indulging in extravagance and waste, and abusing one's authority to further one's own interests spread in the cadre ranks. Some cadres even violated the law and discipline, offered and took bribes and perverted justice for bribes, thus seriously harming the interests of the state and the people, and damaged the reputation of the Communist Party and the people's government. In society, everything was assessed in terms of money, and egoism and money worship prevailed. The spirit of serving the people and being selfless was debased and damaged. The aforesaid chaos on our political and ideological front, plus the influence of the major international climate, initiated the turmoil and rebellion which took place at the change of spring into summer last year. That was an extremely profound lesson.

After the rebellion was put down, a series of guiding principles and policies which were ardently supported by the party and the people were formulated in the fourth, fifth, and sixth plenary sessions of the 13th CPC Central Committee. The party Central Committee and the State



Council adopted a series of decisive measures and carried out highly effective work. A struggle to oppose bourgeois liberalization was launched on the political, ideological, and theoretical planes to help people to understand the truth, distinguish right from wrong, and attain ideological unification from their perplexity. Practical measures were adopted to punish corruption so as to provide the building of a clean and honest government with a good beginning. Ideological education was tightly grasped to extensively launch ideological education on patriotism; collectivism; socialism; and Marxism among the workers, peasants, PLA soldiers and the vast number of intellectuals. The deeds of model workers and advanced workers were extolled, and activities were launched to learn from Lei Feng and Lai Ning in order to develop a healthy socialist atmosphere. Measures for the elimination of "pornography" and the "six vices" were implemented so that the spread of ugly social phenomena was preliminarily controlled, the social environment was purified, and apparent changes were noted in the face of the cultural market. At the same time, the flourishing of culture and art was grasped. The ideological and cultural front was occupied by healthy and excellent works of art and culture which further consolidated and expanded the achievements of anti-bourgeois liberalization. The party's fine traditions were upheld and developed. Leading cadres at all levels earnestly practiced what they advocated. They went deep into reality among the people and into the grassroots units and strengthened the flesh-and-blood ties between the party and the people. The new turn that appeared on our political and ideological front is the heartening comprehensive results achieved by all the efforts.

The appearance of this new turn and profound changes on our political and ideological front have told us in no uncertain terms: Under the situation of reform and opening up, work on the political and ideological front should never be slackened. A slight slackening will enable the bourgeois liberalization trend and various undesirable trends to take advantage of the weak point to cause extremely serious danger to society and the people. Therefore we must firmly grasp the principle of "one center and two basic points". If an imbalance occurs in the "two basic points", especially if a slight slackening occurs in the upholding of the four cardinal principles, then the continuous development of economic construction in a stable social environment cannot be ensured. This has been proven by our practice.

We have won a new turn on the political and ideological front, but long-term and persevering hard efforts are required in order for Marxism and socialism to occupy their positions firmly. The comrades on the political and ideological front shoulder heavy responsibilities. We must never be off-guard and lax just because we have scored a major success. We should rouse ourselves and, in one vigorous effort, further improve our work and push forward in a timely manner. The sudden changes that are happening in the international scene, the external pressure and internal problems have increased

the difficulties of our work. We should be aware of the difficulties and press forward. We should strive to embody the thinking of the whole party and the whole people in the line, principles and policies of the party Central Committee, the economic improvement and rectification and the deepening of reform, the road of building socialism with Chinese characteristics, and safeguarding economic, political and social stability. We staunchly believe that as long as we work hard and unremittingly, victory and hope will surely belong to us.

### RENMIN RIBAO Views Press Freedom

HK1005110190 Beijing RENMIN RIBAO in Chinese  
7 May 90 p 6

[Article by Yuan Liang (5913 0081): "Questions of Right and Wrong Concerning Freedom of the Press"]

[Text]

### Is There an Abstract and Super-Class Freedom of the Press

Those who preach bourgeois liberalization believe that freedom of the press is not provided with the class character, and that newspapers do not have to serve a particular class and follow particular political principles. They said: It is "unreasonable and illogical" for China's existing constitution to say in its preamble that it is necessary to adhere to the four cardinal principles, while maintaining in the text that citizens of China enjoy freedom of speech and the press. They threatened to revise the constitution in an attempt to basically change the class nature of China's freedom of the press, making the freedom incompatible with and detached from the four cardinal principles. But what kind of freedom would it be? Is it really that freedom of the press is without the class character?

Freedom of the press is within the range of political freedom. From the perspective of its emergence and development, freedom of the press is invariably related to definite class relations and class contradictions. Its implication varies from class to class and from society to society. There is no other freedom of the press, abstract freedom of the press for example, than concrete freedom of the press in the world. Given the class antagonism and class struggle, freedom of the press inevitably bears the class character. That is to say, there is only freedom of the press with the class character to the exclusion of abstract freedom of the press. In any society, freedom of the press as a concept belongs to the realm of ideology, and also constitutes a democratic right and political system subject to approval by the law. It is provided with the class nature, is an important part of the superstructure of the society, and must serve the economic base to which it is suited. It should be helpful, but not harmful, to the economic base. In the meantime, freedom of the press must also gear itself to other parts of the superstructure and facilitate rather than hamper their development. If any freedom of the press goes against the fundamental interest of the ruling class, fails to meet the

requirements of the economic base and superstructure, breaks away from them, or is antagonistic to them, it will forfeit the prerequisites for its existence.

When talking about freedom of the press right after the founding of the Soviet Union, Lenin pointed out: "Let us look into this—what sort of freedom of the press? What for? For which class?" Lenin affirmed the progressive and class nature of freedom of the press advanced by the bourgeoisie. He said: "The 'freedom of the press' slogan became a great world slogan at the end of the Middle Ages and remained so up to the 19th century. Why? Because it expressed the ideas of the progressive bourgeoisie, that is, its struggle against kings and priests, feudal lords, and landowners." At the same time, Lenin emphasized: "All over the world, wherever there are capitalists, freedom of the press means freedom to buy up newspapers; to buy writers; to bribe, buy, and fake 'public opinion' for the benefit of the bourgeoisie." He added: In the socialist Soviet Union, for the proletariat and the masses, "we have been performing the function of 'freedom of the press' better than anyone else in the world." He sharply criticized Myasnikov, a member of the "Workers Opposition," who said that in the Soviet Union "the monarchists and the anarchists should enjoy freedom of the press," pointing out that it is a non-party, anti-proletarian slogan of "freedom of the press" and its danger lies in allowing bourgeoisie at home and abroad and their loyal servants freedom to oppose socialism (see Lenin Collected Works, Volume 32, pages 491-495). Lenin made it very clear that capitalist freedom of the press serves the interests of the capitalist class, while socialist freedom of the press serves the interests of the proletariat and the broad masses.

China practices freedom of the press. It is one of the basic rights the party obtained for the proletariat and the broad masses through protracted revolutionary struggle. After the founding the Republic, the right was affirmed and protected by the Common Program of the Chinese People's Political Consultative Conference and the Constitution. The freedom of the press practised in New China, which is free from the control of the capital, expresses the interests and requirements of the proletariat and the broad masses, helps build two socialist civilizations, and helps consolidate and develop the socialist system. It is incomparably superior to capitalist freedom of the press. The proletariat and the broad masses, who constitute the overwhelming majority of the population, really enjoy in the new society this right which they were utterly deprived of in the old society.

Undoubtedly, China's socialist freedom of the press is practiced on the condition that the four cardinal principles are adhered to. Because the four cardinal principles enshrined in the Constitution are the foundation of our country, the guarantee for sticking to the correct orientation in implementing China's modernization program and the policy of reform and opening to the outside world are where the fundamental interests of the whole people lie. The four cardinal principles include China's guiding ideology, political system, and economic system.

In China, putting the four cardinal principles along with freedom of the press in the Constitution—as well as practicing freedom of the press while making adherence to the four cardinal principles the essential prerequisites—conforms entirely to proletarian "reason" and "logic." Those who favor bourgeois liberalization set the four cardinal principles against freedom of the press and separate them. They call for the freedom of the press which is not governed by the four cardinal principles, that is a freedom to oppose through publications China's existing economic system, political system, and its guiding ideology; a freedom to spread Western bourgeois erroneous ideas and decaying ideology; and a freedom to create reactionary public opinion to topple the socialist republic. This is bourgeois freedom of the press which goes against the interests of the proletariat. If we should practice this freedom of the press, the foundation of our country would be undermined and the fundamental interest of the proletariat and the broad masses compromised.

We are not saying frightening things just to scare people in pointing out the class nature and great danger of this kind of freedom of the press which opposes the four cardinal principles. People of goodwill will appreciate our views if they look at the confusion and undesirable situation brought about by some publications when bourgeois liberalization ran wild in the period before the counterrevolutionary rebellion was suppressed. Over the last few years, those who advocate bourgeois liberalization have written a lot of books to oppose the party and socialism. Some people attacked party leaders and the people's democratic dictatorship and preached the Western multi-party system; some vilified socialist public ownership and publicized private ownership; while others discredited Marxism and highly praised Western bourgeois viewpoints. It should be pointed out that publications are an important channel through which the West tries to effect peaceful evolution and ideological infiltration in China. It was this kind of anti-party and anti-socialist opinion, which ran rampant at that time, that led to the political turmoil and the counterrevolutionary rebellion at the turn of spring and summer last year, bringing a great disaster to the state and people.

Western capitalist countries deny the class nature of freedom of the press and deny that their freedom of the press serves the interests of the capitalist class. But this only serves to cover up the class nature of their freedom of the press. The laws of Western countries, which embody the will and interest of the capitalist class, provide for the practice of freedom of the press as well as capitalist political and economic systems. The freedom and the systems are unitary rather than contradictory. The "Declaration of the Rights of Man and of the Citizen," published by French capitalist class in 1789, and the "Bill of Rights," that is the U.S. revised constitution published by the American capitalist class in 1791, are two of the earliest codes in the world that affirm freedom of the press for citizens. But the "Declaration of the Rights," France's constitution, and U.S.

revised constitution also affirm the capitalist private ownership and the capitalist dictatorship. No one will believe that the freedom of the press provided for in the codes is allowed to challenge the capitalist private ownership and the capitalist dictatorship. That is to say, preservation of the capitalist economic base and its superstructure is a prerequisite of freedom of the press. In capitalist countries, there is only freedom of the press which serves the interest of the capitalist class but not freedom of the press detrimental to its interests. Sometimes people are allowed to criticize malpractices in the capitalist society in their publications, but they are stopped from creating a "real threat" against the capitalist system. Therefore, though Western countries claim that freedom of the press is "one of the precious rights for human beings," which everybody is entitled to, it in fact is the "most precious" privilege which the capitalist class uses to safeguard their rule.

We can cite examples from the capitalist codes as well as from the daily life in capitalist countries to support the above argument. The United States, which does its utmost to flaunt the banner of democracy and liberty, is a case in point. When the turmoil and the counterrevolutionary rebellion broke out in China when spring was changing into summer last year, the Voice of America and a number of American publications, while vigorously spreading rumors against the CPC and socialism and attacking China's effort to check the turmoil and suppress the counterrevolutionary rebellion, held up the articles which exposed the truth of the turmoil and the counterrevolutionary rebellion, supported China in its suppression of the counterrevolutionary rebellion, or expressed appreciation of China's action. The publications which occasionally published such articles came under attack from all sides. This made us realize the intense and clear-cut class nature of the freedom of the press applicable in the United States.

#### **Is There Any Absolute Freedom of the Press Free of Restrictions?**

Those who strive for bourgeois liberalization hold that freedom of the press should be absolute, unconditional, and free from any restrictions. That means they should be allowed to publish anything they please. If conditions are attached and restrictions imposed, that means freedom is waning or too little. They only want rights and protection and decline duties and restrictions. They separate rights from duties, and protection from restrictions, and ask for a freedom of the press free from duties and restrictions. Is there such a freedom of the press in the world?

Like other freedoms, freedom of the press is relative, conditional, and limited. Marx said: "There are no rights without duties attached and no duties without rights." (see Marx and Engels Collected Works, Volume 17, page 476) In any society where a normal legal system is established, people who enjoy freedom of the press, a right permitted by the law, must perform corresponding duties according to law and must subject themselves to

the restrictions imposed by the law on this right. It is abnormal to separate rights from duties. Capitalist thinkers and capitalist laws share this view. Montesquieu said: "Freedom is the right to do everything permitted by the law. If a citizen were allowed to do anything prohibited by the law, he would no longer enjoy freedom." (see "On the Spirit of the Law," Volume One, page 154) The Declaration of Human Rights pointed out: "Freedom is the right to do anything which does not do harm to others. Therefore, everyone exercises this right on the condition that other members in the society enjoy the same right. The conditions can only be provided for by the law." (see "Selections of Constitutions of China and Foreign Countries," pages 279-280) Of course, the concrete contents of freedom of the press and the duties, guarantees, and restrictions involved vary from society to society or even run counter to each other due to different class interests.

China's Constitution stipulates that citizens of the PRC enjoy freedom of speech and of the press. But it also stipulates that the exercise by citizens of the PRC of their freedoms and rights may not infringe upon the interests of the state, of society, and of the collective, or upon the lawful freedoms and rights of other citizens; "no organization or individual may enjoy the privilege of being above the constitution and the law." In dealing with the task of enacting laws on the press, the report adopted by the 13th CPC National Congress pointed out: "It is necessary to ensure that the citizens' rights and freedoms prescribed by the Constitution are protected, and to check the malpractices of abusing the rights and freedoms according to law." According to China's Constitution and laws, while exercising freedom of the press citizens are not allowed to publish in any publication any article opposing the four cardinal principles, instigating other people to an action against the people's democratic dictatorship and the socialist system, framing a case against or hurling invectives at somebody, letting out the state's secret, or publicizing obscenity. This is a citizens' duty designed to safeguard the state's and people's interests.

Amid the clamor for bourgeois liberalization, some people seem to believe that freedom of the press in Western countries is not subject to any restrictions, and that any ideas or views are allowed to be published. This is not true. To safeguard their interests, the ruling capitalist class imposes many rather than few restrictions on publishing houses. For instance, they are not allowed to whip up trouble or rebellion; to divulge the state's military secret; to insult the congress, court, and army; to disturb social order; or to discredit other people. This is the case with Britain, which introduced freedom of the press earlier than other countries. Engels said in 1844: "Some people believe that people enjoy more extensive freedom of the press in Britain than in other countries. This view is correct on the whole. But in Britain this freedom is very limited. The slander law, treason law, and blasphemy law strictly restrict the publishing trade." (see Marx and Engels Collected Works, Volume 1, page



695) The "Oxford Law Dictionary" published in Britain in 1980 pointed out: "Freedom of the press is always restricted by ordinary laws prohibiting instigation and slander, the court law prohibiting citizens from despising the court, 'the law on security of official affairs,' and the wartime provisional special inspection regulations." (see Chinese version of the Dictionary, page 355)

Apart from legal restrictions, freedom of the press is subject to material and intellectual conditions. Because publishing books involves intellectual, cultural, and financial factors the realization of freedom of the press calls for editors, printing, funds, equipment, human resources, and readers who attain a certain level of culture and have purchasing power. If these conditions are not complete, you will be unable to enjoy adequate freedom of the press. Since the founding of the Republic, the government, under the CPC leadership, has spent a lot of financial, material, and human resources in publishing books to boost the development of the publishing industry. In 1956, when the socialist transformation was completed, there were only 97 publishing houses in China, and the number increased to 500 at the end of 1989. Similarly, the capacity of printing and selling books also doubled and redoubled. The readers' purchasing power increased from 50 million yuan during the initial post-liberation period to six billion at the end of 1989. This has provided increasingly favorable material and intellectual conditions for the people to exercise freedom of the press. However, China is still backward economically so we can provide limited financial, material, and human resources for the publishing industry, resulting in difficulty in publishing popular science books. With the development of the economic and cultural construction, the people will enjoy more favorable conditions to exercise freedom of the press.

In developed Western capitalist countries, the material and intellectual conditions for realizing freedom of the press are better because they are economically and culturally advanced. However, as the wealth of society is mainly in the hands of capitalists, these favorable conditions become means for protecting freedom of the press for the capitalist class and means preventing the proletariat and other laboring people from exercising freedom of the press. The publishing industry in Western countries is mainly controlled by capitalist consortiums or political groups, so the industry must be run in their interests and be subject to their will. The proletariat is supposed to enjoy freedom of the press, but they can hardly really enjoy it because they lack necessary conditions. In capitalist countries, the amount of money determines the amount of freedom of press enjoyed; freedom of the press is empty talk if you are penniless.

Why is it that those who favor bourgeois liberalization talked about freedom of the press without restrictions, which does not exist? Their real purpose, to put it bluntly, is to get rid of all obstacles that prevent them from practicing bourgeois liberalization so that they would have the publishing industry under their control and engage in bourgeois liberalization at will with the

ultimate aim of overthrowing the CPC and the socialist system. Over the last few years, disregarding their duties, they have abused freedom of the press in unscrupulously publishing many books violating the Constitution and the law, incurring great danger, and arousing public indignation. But they were still not satisfied with things as they were, complaining that too many obstacles are in the way. Accordingly, they created the absurd argument that "freedom of the press is absolute and unconditional" in an attempt to grab greater authority to abuse freedom of the press. This is absolutely not allowed. Their illegal activities and illegal publications should be investigated and punished according to law.

### **'Major Reform' Planned in State Hiring System**

*HK1005041290 Beijing CHINA DAILY in English  
10 May 90 p 1*

[By staff reporter Gu Chengwen]

[Text] As the first step in a major reform of the State's hiring system, the State Council—China's cabinet—will require those seeking ministry posts to take examinations.

By Saturday, 2,500 Beijing cadres—office workers and business managers—and college students who are to graduate this summer had signed up to apply for 238 openings in 11 ministries and institutions directly under the State Council.

These applicants will take a series of tests, written and oral for these openings. Only one in 10 will land one of these jobs.

Officials from the Personnel Ministry said this is just the beginning of the reform of a system that used to depend on allocation and recommendation to fill government posts.

Hiring through tests will surely expand and a standard and systematic testing system will gradually emerge in the years ahead, said Dai Guangqian, director of the Tests and Enrollment Bureau under the Personnel Ministry.

Dai said the idea behind testing is to hire the best people for the government jobs.

Testing will also reduce such practices as "nepotism and going by the back door," he said.

Large-scale testing on an experimental basis began in 1987.

That first year, the government invested 10 million yuan (\$2.1 million) to test applicants before hiring 80,000 people for 13 enlarged institutional systems involving politics, law, industrial and commercial administration, taxation and banking.

Last year, the Personnel Ministry tested applicants for 145 office staff openings in central government departments.

However, "the reform is only in its initial stage," said Dai.

To date, 27 provinces, autonomous regions and municipalities are implementing the request to test applicants.

But what kinds of tests there should be, how they are to be carried out, the requirements for the testing officials, and a lot of other questions are left for the local officials to handle according to their own needs.

Currently, Dai and his colleagues, apart from guiding the move to hire by testing, are concentrating on experiments in six ministries to establish a civil service system applicable to the entire country.

Problems remain to be solved, he said.

Central government job vacancies available for competition do not cover the leading positions.

The tests are usually given in the Beijing area and not every Beijing resident has access to them.

Those who have passed the tests may be delayed in taking on the new job because of the reluctance of their current employers to release them.

And still, a great many people are being assigned each year directly to government departments without taking formal tests.

Dai said it will take time to perfect the test system and to gain public acceptance of the measure.

#### **Views on Absorbing Surplus Rural Labor Force**

HK0905110490 Beijing JINGJI RIBAO in Chinese  
14 Apr 90 p 2

[Article by Wang Lingjun (3769 7227 0193): "My View on Absorbing Surplus Rural Labor Force"]

[Text]

#### **Reasons for Serious Fluctuations in Transfer of Surplus Rural Labor Force**

Our country has a huge surplus rural labor force, which is unique in the world. The way by which this kind of surplus resource is rationally used, and a burden transformed into treasure, is critical to our country's economic growth. During the past 10 years our country has adopted the absorption method whereby large-scale transfer toward nonagricultural production has been practiced. From 1979 to 1988, a total of 66.5 million rural laborers throughout the country had been transferred to nonagricultural production, averaging 6.6 million transfers per year and with an average annual growth of 11.7 percent. Regardless of speed and scale, this is unprecedented in world economic history. However, in 1989, a shift back to the rural areas by the already transferred rural labor force appeared and a tide of several million laborers rocked the cities. What are the reasons for the serious fluctuations in rural labor force in

a short period of five years? There are many, I think, but the most basic reason is that the method we chose to absorb rural labor force had a certain one-sidedness. Our strategy to absorb rural labor force is in fact a strategy to transfer but we have not fully looked into whether the external conditions and objective environment existed for large-scale transfer.

There are two main ways to transfer our country's rural labor force: First, township and town enterprises; second, various businesses in towns and cities. Over the past 10 years, our country's township and town enterprises have developed quite well. They have made great contributions to our country's economic and social development and, in particular, to absorbing surplus rural labor force. They absorbed a total of 54.6 million laborers which accounted for 82 percent of the total number of those transferred. However, the 10-year process of development has also given us adequate material to ponder its advantages and disadvantages, as well as gains and losses. In an irregular microlevel business environment, and a chaotic and unstable macrolevel environment, I do not think township and town enterprises can develop healthily, and violent and ceaseless fluctuation is a necessary product of combining the two environments. Township and town enterprises have very strong motive for benefits and, in the irrational price relations, the processing industry which has high prices and great profits has become the first target to pursue while the dependence of township and town enterprises on local governments has strengthened this kind of motive for benefits. According to relevant data, 90 percent of the operation funds for township and town enterprises is acquired through credit and only 10 percent is from accumulation of self-owned funds. This operation characteristics has tied the fate of township and town enterprises closely with the macroeconomic situation and, when the macroeconomy expands, the overheated economy situation is intensified. At the same time it is doomed to pity when the macroeconomy retrenches. If the system and environment in which township and town enterprises operate cannot be improved, the fluctuation cannot be avoided while each fluctuation is undoubtedly a relapse in transfer of rural labor force.

We come now to the other way. From 1979 to 1988, throughout the country 12 million surplus rural laborers transferred to towns and cities, accounting for 18 percent of the total of those transferred, and in our country's system of urban-rural isolation it is not really easy for such a large number of people to enter the city gates. But there are two points which we should understand: 1) Other than the actual demand by a few businesses in which urban dwellers have no interest, most laborers are byproducts of swelled investment and, once this situation is under control, these people will become birds which cannot find trees in which to roost; and 2) The firm line between city and countryside, which has taken shape over the past several decades, partially collapsed during the rains and storms of the 10-year reform period,



but on the whole nothing much has changed. The laborers who have entered the city are like duckweed and, once the rainstorm comes, they have only one way to retreat: To the countryside.

This analysis indicates that under the current system and policy, these two ways will lead to a common consequence: Violent fluctuations in transfer of rural labor force. It is said that currently more than 60 million surplus rural laborers have been transferred. In reality the actual number properly transferred is much smaller and the majority of labor force belongs to flexible transfer. In the highly unpredictable environment, the small stretch of contract land has become the basic life guarantee for the transferred laborers and therefore the indispensable safety valve for social stability. In the current situation, where the income from engaging in agriculture is only one-fifth of the income from engaging in industry or in commerce, this small stretch of land which the peasants neither cultivate well nor wish to abandon has only this function. This has, to some extent, led to the slow agricultural growth of recent years. This kind of fluctuation amid the transfer of surplus rural labor force, the great social cost we have paid, and its potential threat to society are worthy of our attention.

#### Capacity of Current Channel for Transfer

Setting aside the restraints of system and environment, an inspection of the capacity of the two channels for absorbing rural labor force does not allow optimism either.

Over the past 10 years, township and town enterprises have indeed developed quickly but this development can be viewed basically as a process of outward expansion. The additional labor force is basically absorbed by relying on outward expansion. The emphasis for the next stage of development should shift from outward expansion as the mainstay, to equal attention to inward expansion and inner resources, with inner resources as the mainstay. This means that from now on development cannot absorb large numbers of rural laborers as it did during the past 10 years. We can easily suppose that from 1990 to 2000, township and town enterprises can absorb 5 million surplus rural labor force per year and that by 2000 they can absorb 50 million. According to the relevant data, by then the surplus rural labor force in our country will have hit 260 million and township and town enterprises can absorb only one-fifth of the total.

The ability to absorb rural labor force by our country's cities and towns will not improve very much in the near future. Since 1985, the population for employment in cities and towns in our country increased by about 8 million annually, amounting to six percent of the total employed population in cities and towns. In the past few years, the urban unemployment rate has stabilized at two percent, a total of 2.8 million. Hence, each year there was the pressure of 10 million unemployed. With the deepening of enterprise reform, about 15 to 20 million people will be separated from enterprises owned by the whole

people and that is about 15 to 20 percent of the total number. It is indeed difficult for us to look for more space to accommodate rural labor force. During the next 10 years, calculated on the basis of 1.5 million which we can absorb each year, we can only absorb 15 million. With the absorbing capacity of township and town enterprises mentioned above, the two channels can absorb 25 percent of the total surplus in 2000.

#### Strategy for Absorbing Labor Force Should Shift to Agriculture As the Mainstay

Again, when we look at the agricultural domain from whence a large number of the surplus labor force emerges, we discover that there is a broad horizon.

There is room for maneuver if the cultivation method is to be transformed. Our country's current crop cultivation adopts the farming method of combining manpower and traditional farming techniques and estimates of our country's surplus rural labor force are also made according to this farming method. However, I think that to a country such as ours which has such a populous agricultural population and such little land, this farming method looks very backward. If we adopt the farming method of integrating biological techniques with input of highly intensive labor we will see a new prospect.

According to the data provided by the research unit concerned, calculated on the basis that each agricultural laborer in our country produces 305 workdays each year, and supposing that each work day is taken as a labor unit, under the current labor strength, if all farmland followed the agricultural pattern of integrating biological techniques with input of intensive labor, a 98.6 million labor force can be absorbed. Even if only half the farmland is doing so, 49.3 million can be absorbed.

The agricultural resources waiting to be explored are abundant. The following are some relevant figures: According to statistics, there is still 500 million mu of barren land which is suitable for agriculture, of which 200 million mu can be cultivated, while in the vast mountainous region 40 million mu of barren land has been left unexplored. In our country, 69 percent of land is in mountainous areas and, in these areas, barren hills and slopes suitable for forestry amount to 1.17 billion mu while 670 million mu are suitable for pastoral undertakings, and they are unexplored. The total area of courtyard [land to the front and rear of private houses] in our country's rural areas is at least as large as twice the farming area of Zhejiang Province and most areas have not been properly used. Our country has 40 million mu of freshwater and seawater suitable for aquatic husbandry, 15 million mu of shallow beaches suitable for fish breeding, and 45 million mu of waterlogged saline-alkali lowlands suitable for digging ponds for fishery production which have yet to be explored. Of the already explored 300 million mu of freshwater and 200 million mu of shallow seawater and beaches, their uses are limited and they are in a state of semi-idleness. If

one-third of these resources were to be explored and utilized, the labor force which can be absorbed will be over 100 million!

Compared with the current transfer strategy, the absorption strategy which takes agriculture as the mainstay has at least several strong points: 1) It directly ties absorption of agricultural labor force to agricultural prosperity and the process of large-scale absorption of rural labor force is also the process of great agricultural development; 2) It touches upon a smaller domain and involves less economic relations, while the supporting conditions are not very complicated. For example, the transfer strategy involves the two great spheres of urban and rural economies and makes harsh demands on the system and environment. It also requires a smooth channel for labor flow and a complete reform of the social welfare system etc., but here we have no need to worry about that; 3) It requires a small amount of funds (the funds directly and indirectly required to transfer a laborer to nonagricultural production amount to 8,000 to 12,000 yuan) and a less demanding quality of laborer; 4) It reduces a restricting condition for system reform in our country; and 5) It lays a solid agricultural foundation for future large-scale transfer of agricultural labor force to nonagricultural production.

This kind of absorption strategy also needs certain coordinating conditions. Other than more and braver input of policy on encouraging exploration and operation, it needs certain interests as guidance and here two points, I think, are critical: First, increase the proportion of revenue to national income and the proportion of central finance to revenue, and by so doing a firm financial back-up to transformation of farming method and exploration of idle resources in the whole nation can be had; second, large-scale "feeding industry with agriculture" and "feeding agriculture with commerce" will affect the development of nonagricultural production in this period, but this situation will be quickly replaced by promoting industry (commerce) with agriculture. Suppose that we do not adopt this measure, then the persistence of a weak situation in agriculture will eventually hinder nonagricultural production and, consequently, both cannot achieve the purpose of sustained and stable development. In addition, there is the issue of establishment and perfection of a social service system for agriculture, in which scientific and technological service has a decisive meaning.

It is necessary to stress and point out: At the same time agriculture absorbs labor force on a large scale, we must persistently carry out reform of the economic system, create new urban and rural patterns, and make efforts to build coordinating systems for transfer of rural labor force to nonagricultural production because large-scale transfer of rural labor force to nonagricultural production is an irresistible historical process and is the final outlet for rural labor force.

### Theory of 'Failure of Socialism' Refuted

HK0905120990 Beijing RENMIN RIBAO in Chinese  
24 Apr 90 P 3

[Article by Kuang Liwen (6782 3810 2429): "Hold High the Banner of Socialism—In Commemoration of Lenin's 120th Birthday"—originally published in 22 April issue of GUANGMING RIBAO]

[Text] Today marks the 120th birthday of Lenin, the great teacher of the working class and founder of the world's first socialist state.

The life of Lenin is one characterized by the successful adaptation of Marxism with the concrete realities of Russia and the establishment and consolidation of the first proletarian regime. As we remember Lenin today, we should emulate him in remaining faithful to Marxism, developing Marxism, and integrating more closely the general truth of Marxism-Leninism with the concrete realities in China, thereby further promoting the great cause of building socialism with Chinese characteristics.

### The Imposing Steadfastness of the First Proletarian Regime Headed by Lenin Amid Cruel Struggles Is a Firm Testimony That: Socialism Is Invincible.

Under the leadership of Lenin, the world's first socialist state was born on 7 November 1917. This was a momentous event not only in Russian history but in world history as well. As Mao Zedong stated, it "changed the direction of the entire world history and marked a new era in world history." ("On New Democracy")

However, the people will not forget that right from the very day of its inception, the Soviet government was already confronted by grave challenges. First of all, it faced serious threats from armed reactionary elements. In an effort to kill off the newly-born Soviet regime right in its cradle, fourteen countries including the United States, Britain, France, Japan, and Germany either sent troops into Russia without declaration of war; or secretly abetted the reactionary army in launching reactionary rebellion; or plotted and supported reactionary forces in mounting a large-scale offensive against the Soviet regime during the three year period covering March 1918 to 1920. The Soviet regime was thus forced to wage an arduous struggle for its own survival under very tedious conditions. Secondly, it faced serious economic difficulties, specifically a short supply of food, raw material, and fuel. Insufficient bread supplies caused widespread hunger among the workers. Many factories were forced to suspend production because of the shortage of raw material and fuel. In addition, it faced a serious ideological challenge. In August 1918, Karl Kautsky, the revisionist of the Second Comintern, released a booklet entitled "Dictatorship of the Proletariat" where he clamoured strongly for "pure democracy" and criticized the dictatorship of the proletariat as "dictatorial" and "authoritarian". He attacked the Soviet regime as "a prematurely born child" without any

vitality. Meanwhile, Mensheviks in the country also came out in full force to argue that "Russia has not attained the level of productive forces necessary to achieve socialism." Confronted by serious threats and challenges in the military, economic, and ideological arenas, the newly-born Soviet regime was undaunted. Instead, under the leadership of Lenin and the Bolshevik Party and imbued with a sense of revolutionary heroism, a spirit of self-sacrifice, and a firm conviction in socialism, the Russian workers, peasants, Communist Party members, and Communist Youth League members miraculously triumphed over the various difficulties and scored a great victory in defending and consolidating the Soviet regime!

On the eve of the October Revolution, international capitalist forces, together with the landlord and bourgeois class in Russia, unanimously asserted: "The Bolsheviks will never dare seize total state power all by themselves;" "Even if they dare to and eventually win power, they will not be able to maintain the regime;" "The day they achieve total victory is also the day they will collapse swiftly." However, the facts have ruthlessly exposed the bankruptcy of the bourgeois soothsayers. At the same time, they became a firm testimony to the entire world: Socialism is invincible!

There are many reasons for the invincibility of socialism, but basically two of them stand out: First of all, socialism is deeply rooted among the masses. The Marxist theory on historical materialism maintains that history is created by people. The vibrant, creative socialist cause is the result of the labor of millions of people with their own hands. Socialism represents the fundamental interest of the people and reflects their basic aspirations. The most fundamental source of life and vitality of socialism comes from the support, relentless determination, and creative spirit of the people. As Lenin pointed out: "Victory belongs to the exploited because life belongs to them and because numerical superiority and the strength of the masses belong to them." ("Selected Works of Lenin", Volume 3, Page 391) Secondly, the leadership of the Communist Party is the fundamental guarantee for the inevitable victory of the socialist cause. As the vanguard of the working class, the Communist Party is a political party armed with Marxism. In leading the proletarian revolution and the socialist cause, the party is guided by its understanding of the objective laws as well as the essence of social development; hence, it is able to adapt to the trends of history, surmount countless obstacles, and further promote the socialist cause. It is able to unite and rely on the great masses of people and mold them into a cohesive force. It is this understanding which led Lenin to maintain steadfastly, even on the eve of the October Revolution, that: "If the Bolsheviks are not frightened off by others and manage to gain political power, then there is no force on earth that can stop them from retaining power until the day socialist revolution triumphs around the world." (Same as above. Page 335)

**Setbacks in Socialist Countries Cannot Be Attributed to the Fundamental System of Socialism, and Any Theory Refuting This Fundamental System Is Totally Groundless.**

As a social system, socialism has existed for over 70 years now. During this period it has had flourishing, heady days as well as its share of setbacks and mishaps. To this day, socialism continues to be a process of practice and exploration.

The question now is: How should the setbacks and mishaps encountered in socialist states be understood?

Since the first socialist state was established by Lenin, the bourgeoisie and its various representatives have formed the logic: Every mishap experienced by a socialist country is a "defeat" of the socialist system. Serious setbacks encountered by a socialist state are proofs of the "total failure" and "hopelessness" of the socialist system. In recent years, those who stubbornly uphold a bourgeois liberal stand in our country have again openly asserted: Experiences over the past 70 years have shown socialism to be "a total failure"; "People have become increasingly aware that socialism is a disease that must be removed in order for one to be cured"; "Unless the system of public ownership is eliminated, there can be no genuine democracy and freedom nor prosperity in China". All these pose a serious question to people: Do the setbacks or mishaps encountered by socialist states mean that the socialist system does not work and that the banner of socialism should not be raised again?

It should be pointed out here that the proponents of the "failure of socialism" theory have committed a fatal error in logic; that is, they have confused the fundamental system of socialism with the concrete practical experience of socialist countries. It is universally known that the so-called fundamental system of socialism refers to the essential rules of socialism. The core or basic feature of its economic thesis lies in the public ownership of the means of production and in distribution according to labor. On this Lenin had explicitly pointed out: "From capitalism, mankind can only make the direct transition to socialism, that is, the transition to the public ownership of the means of production and to distribution according to labor." ("Selected Works of Lenin", Volume 3, page 62) Comrade Deng Xiaoping also noted: "Socialism itself has two very important aspects: One, an economy anchored on the public ownership system should be upheld... Two, the polarization of wealth must be avoided at all cost." ("On Building Socialism with Chinese Characteristics (Unabridged Version)", Pp. 117 to 188) Now, what is meant by the concrete experience of socialist states? Because socialism is without precedent, concrete practice of socialism is in effect the exploration carried out in the political, economic, and cultural arenas by the working class and the vast masses of working people under the guidance of the Communist Party. And because it is an exploratory exercise, two possibilities exist. One is that this exploration conforms



with the essential rules of socialism and is successful. Another possibility is that this exploration consciously and unconsciously diverts from the socialist direction or violates the requirements of the fundamental system of socialism, and thus ends up unsuccessfully or a failure. The political, economic, and cultural structures of socialism can only be perfected after repeated explorations. The obvious differences between the fundamental system of socialism and the concrete practice by socialist states are not lost to the proponents of the "failure of socialism" theory. Instead, their real objective is to confuse the two issues so as to attribute the setbacks and mishaps encountered by socialist states to the very system of socialism, and achieve their goal of fundamentally negating the socialist system.

The arguments of the so-called "failure of socialism" theory not only violate the most fundamental logic but also depart from facts. This is clearly demonstrated in an analysis of the concrete practice in our country. Needless to say mishaps, including very serious ones, have appeared in the concrete process of building socialism in our country. They consisted primarily of the following: several instances of impatient and impetuous rushes for results in the course of socialist construction; continued adherence to "class struggle as the key" even after the basic completion of the socialist transformation of the system of private ownership of the means of production and disregard for the development of productive forces; sluggish criticism and struggle against bourgeois liberalization for a considerably long period of time resulting in certain mistakes in the reforms. The question is: Are these setbacks and mishaps rooted in the fundamental system of socialism? In other words, do they indicate that the fundamental system of socialism implemented in our country is already a "failure"? The answer is definitely no. Let us take for instance the impatient and impetuous rush for results. Someone with a little analytical mind can see how very unfair it is to attribute this to the fundamental system of socialism: After all, where is it written in the fundamental system of socialism that people have to be impatient and impetuous for results? None. Not only is this so, but since the establishment of the first socialism state, the revolutionary teachers have repeatedly reminded one and all: It is absolutely necessary to be rational and not be impatient nor impetuous for results in carrying out socialist construction in the country. In his old age, Lenin, in summing up the experience of Russian socialist construction, gave this particular advice to the Bolshevik Party: "We should be rational at the right time. We should be sceptical toward any impetuosity and tendency to exaggerate, and should think about examining steps before they are taken....Impatience is the worst evil here." ("Selected Works of Lenin", Volume 4, Page 699) The several instances of impatience and impetuosity exhibited by our party sprang from a lack of rationality and from diversion from the ideological line of seeking truth from facts. Now, take for instance the disregard of the development of productive forces. To attribute this mistake to the fundamental system of socialism is likewise wrong.

Marxism has always maintained that the development of productive forces is an integral part of socialism as well as that of the consolidation and development of the socialist system. Lenin stated: "In the end, the rate of production is the most essential and important factor to ensure the triumph of the new social system." ("Selected Works of Lenin", Volume 4, Page 16) Comrade Deng Xiaoping has also repeatedly stressed: The fundamental function of socialism is to develop productive forces. Failure to do so and failure to upgrade the people's standard of living is inconsistent with the demands of socialism. Our party has reflected profoundly on this and made realistic corrections. Those who are hostile to the socialist system chose to close their eyes to the realities and to blame the disregard of the development of productive forces on the socialist system. What does this mean, aside from pointing out the ulterior motives of these people?

Actually, a proper approach to history and reality is sufficient to tear down the theory of those who cling to the temporary setbacks encountered by socialist states and who then shout loudly that "socialism has failed." Looking at world history, what social system did not go through the process of restoration, anti-restoration, and gradual perfection in its early stage? It took the French bourgeoisie seven wars with anti-French alliances, two imperial restorations, four bourgeois revolutions, and more than 80 years of struggle before it consolidated its own rule. The same is true whenever one kind of private ownership system replaces another kind under the capitalist system. Thus the difficulty, intricacy, and complication involved in the consolidation and development of a socialist system which seeks to replace the private ownership system with the public ownership system can only be left to the imagination. What reason then is there to assert that socialism is a "failure" simply because of the temporary setbacks encountered by socialist states? If such an argument holds, then shouldn't capitalism be declared a failure in its early stage more than a hundred years ago? Comrade Jiang Zemin was right when he stated: "The still youthful socialist system will encounter setbacks and obstacles in the course of its development, but history has demonstrated and will continue to demonstrate that the socialist system possesses great historic vitality and life. To look only at certain whirlpools and crosscurrents and ignore the torrential rush of the long river of history can only indicate the political shortsightedness of the observer." ("Speech at the Meeting Commemorating the 40th National Day of the PRC")

**Firm Up the Conviction in Socialism, Hold High the Banner of Socialism, and Advanced Courageously Along the Path of Socialism With Chinese Characteristics.**

In recent years, the proliferation of bourgeois liberal ideas has led to various ambiguous ideas among some people, notably the young ones. And these ambiguous ideas were primarily concentrated on the question of socialism. Hence, clarification on the issue is extremely necessary.



"Is it really true that capitalism cannot work in China?" wondered some people. In other words, in the views of these people, China can choose either socialism or capitalism. However both history and reality will affirm that people who hold such views are not realistic.

First of all, these people do not understand history. They do not realize that China's choice of the socialism path did not stem from the likes and dislikes of some people, nor from the fanciful theories of these people. Rather, it was dictated by history. Looking at modern history, countless patriots searched hard and long for a way to save the country and the people in those dark, miserable years: The reformists who launched the Reform Movement of 1898 wanted to emulate Japan's Meiji Restoration and introduce a parliamentary monarchy, but their efforts were busted after only a hundred days; the bourgeois democratic revolution led by Sun Yat-sen may have toppled the more than 2,000 year-old feudal monarchy but it also led to warlordism and division; Chiang Kai-shek betrayed Sun Yat-sen and became a vassal of imperialism, but after 22 years in the helm he did not introduce any change to the semi-colonial, semi-feudal state of China as the people continued to live in abject poverty and misery. As Mao Zedong had stated long before, the facts were: First of all, international imperialism—that is, capitalism—will never tolerate the establishment of a capitalist society with dictatorship of the bourgeoisie in China. "China's modern history is the history of the imperialists' invasion of China, their opposition to independence of China, and to the development of capitalism in China". Secondly, neither socialism nor the great mass of working people will tolerate the re-establishment of a capitalist society with dictatorship of the bourgeoisie right after the victory against imperialism and feudalism in China. Any such attempt can only be wistful thinking? ("On New Democracy")

Secondly, these people do not understand the realities in China. If China is to take the capitalist road, it will mean the renunciation of the public ownership system and the possession of state properties by a handful of people. This creates a problem: Who may own these properties? It should be borne in mind that the assets of large- and medium-scale enterprises in our country are estimated at a minimum of several millions and a maximum of several billions. And these do not even include such state properties as railways. In today's China who can possibly afford to buy these assets? Perhaps only the big foreign capitalists and cartels can afford them? If that is so, the day will indeed not be far off before China becomes a vassal of imperialism! What about equitable distribution of national assets to every citizen? Needless to say, this is totally impossible. And even if it were, it can only mean that such small private ownership systems characterized by egalitarianism are the lowest level and most backward form on earth, and that after savage primitive accumulation this system will inevitably lead to polarization of wealth. It should be pointed out that whichever of the two circumstances prevails, the people will always bear

the brunt. Today, many young people do not like to listen to their parents talk about the bad old days. But if China were to really implement the capitalist system, then what would be the situation of the majority of people? Our fathers can probably answer that questions! Comrade Deng Xiaoping had pointedly stated: "If the capitalist road is taken, it may lead to prosperity to a small percentage of people in China, but it will definitely not address the problem of more than 90 percent of the people." ("On Building Socialism With Chinese Characteristics (Unabridged Version)", Page 53) This is certainly not hearsay but a profound conclusion drawn from historical experience.

The so-called idea of China "choosing" the capitalist system reflects a deep yearning of some people for capitalism. They regard capitalist society as "paradise". Yet, it is hard to say whether they truly understand a capitalist society. Everyone knows that more than 100 countries in the world are capitalist countries or follow the capitalist road. Among them, a dozen or so are economically developed and affluent, while the majority of these countries are economically backward and impoverished. If, after the victory of the democratic revolution, China were to take the capitalist road her big population and backward productive forces would have determined that the picture today will not be that of the former. Moreover, granted that various factors have indeed led to vast improvement in the standard of living of the working people in these capitalist countries after the Second World War, the gap between the rich and the poor continues to exist and to widen. The rich men today are not merely millionaires but billionaires, trillionaires. The wealth of society is created by the great mass of working people; yet the larger part of the wealth flows into the pockets and ends in the whimsical extravagance of the exploiting class. This kind of society is extremely unreasonable. At the same time, while the material life of the working people has improved in these countries, their social position remains very low. They are hired workers of capitalist bosses and not the master of the means of production. As Marx had pointed out, the workers in these countries may "eat and dress better and receive better pay", but "the subordinate relationship and exploitation of hired workers can never be eliminated." ("Das Kapital", Volume I, Page 678) How can such a society be considered "paradise"? If it is to be called a paradise, it can only be that of the rich.

The socialist system was chosen and established by the Chinese people after more than a century of arduous exploration. The history of forty years of socialist system in China fully demonstrates that it conforms with the fundamental interest of the greater majority of people in China.

Following the establishment of New China, we relied on the socialist system to mend the wounds of war in a short period of three years and build the national economy to the highest level in Chinese history; the socialist system enabled us to realize the socialist transformation of the system of private ownership of the means of production

and eradicate the exploitative system and class across our 9.6 million square miles of land; the socialist system enabled our people to obtain the rights as master of the country and make realistic advances along the path of perfecting people's democracy.... Naturally we have had our share of mishaps. Our economic and political systems continue to be afflicted with various defects. Our socialist system still has room for further improvement. However, experience over the past forty years, notably the reforms carried out in the last ten years, has indicated to the world: Socialism in China is possessed of great vitality and the reforms and opening up will inject more life into it.

Looking back and into the future, we are full of confidence in the socialist cause as well as in the communist future of mankind. Under the leadership of the CPC let us hold high the banner of socialism, advance courageously along the path of socialism with Chinese characteristics, and score even greater victories for the socialist cause!

#### **Theoretical Workers Forum Discusses Politics**

HK0905124390 Beijing GUANGMING RIBAO  
in Chinese 10 Apr 90 p 1

[Report by Zhang Ming (1728 7686): "GUANGMING RIBAO Theoretical Department Holds Forum of Beijing's Theoretical Workers to Discuss the Situation on the Political and Ideological Front"]

[Text] The theoretical workers of the capital who participated in the forum held on 7 April by the theoretical department of this paper were of the opinion that a favorable new turn and a new atmosphere appeared since the latter half of last year on our political and ideological front and in the realm of social sciences: Ideological workers should continue to strive to contribute their share to the further and steady development of our politics, economy, and society.

The theoretical workers of the capital who attended and addressed the forum included Ru Xin, Li Kan, Luo Guojie, He Jianzhang, Wang Jiafu, Xu Zhengfan, Shi Defu, and Dong Xuewen. Xing Bisi and Wu Shuqing submitted their written speeches. The forum was presided over by Zhou Longbin, member of the editorial department and head of the theoretical department of this paper.

Participating comrades believed that since the turmoil and counter-revolutionary rebellion were put down last year, thanks to the effective measures of the party Central Committee and the hard efforts of the broad masses of the theoretical, propaganda, and education workers in our country, the trend of bourgeois liberalization which was rampant in our ideological realm a few years ago has been repudiated and its spread checked. Renewed importance has been attached to ideological and political work which was for a time weakened, the guiding position of Marxism within the realm of social sciences has been strengthened, apparent achievements

have been scored in the struggle to rid society of the "six vices" and in the building of socialist spiritual civilization, and the general standard of social conduct is gradually improving. Facts proved that the policies and measures adopted by the party and government to put down the turmoil and rebellion were correct: Upholding the four cardinal principles and persisting in the struggle against bourgeois liberalization are of considerable significance to the stability and development of our political and economic situation.

Participating comrades said that struggles in the ideological realm and on the ideological and political front were long-term and complicated and required our unswerving efforts. The achievements which have been scored not without difficulty should be treasured and strengthened. The extremely small number of persons who engage in bourgeois liberalization and who regard the socialist system with animosity have yet to cease their activities. They are in the course of changing their strategies and tricks to struggle against us. We should never take them lightly. It is only by further strengthening education and propaganda work in the four cardinal principles, continuously carrying out in-depth criticism of the bourgeois liberalization trend, and eliminating influences in various fields that it will be possible for us to provide a good environment for the stable development of our socialist modernization construction, and of reform and opening up.

Participating comrades believed that the new and favorable turn in the ideological realm and on the political front heralded the arrival of new and greater prosperity. The education and struggle to uphold the four cardinal principles and to oppose bourgeois liberalization are launched to reply to and sum up—under the new historical conditions and on the plane of new theory—new issues and situations in the international scene and in the country. Such measures have a direct positive effect on the undertakings of socialist modernization construction and of reform and opening up, including the ideological realm, and the creative development of Marxism along a truly scientific path. While the theoretical and academic sectors are taking measures for thorough-going reform and continuing to criticize and eliminate the widespread bourgeois liberalization viewpoint in recent years as well as the philosophical, political, journalistic and literature, and art views of the western bourgeoisie, these two sectors should also place importance in the construction of basic theories of various branches of learning, persist in the "double hundred" policy, pay attention to the use of Marxist viewpoints and methods to think and resolve the actual problems with which we are presently faced, strive to creatively enrich and develop Marxism and promote social sciences in our struggles and response to the challenges of the era, and seek breakthroughs and innovation in the basic theories and methods of various disciplines of learning.

Participating comrades expressed a fervent hope in the younger generation of theoretical and social science workers who represent the future of Marxist and social

science undertakings. The favorable new turn on the ideological and political front has given them new demands and assignments and provided them with a new opportunity for their maturity and development. Each alert and capable young theoretical and social science worker should pull himself together, increase his confidence and, for the sake of propelling the development of Marxist theories and the social sciences and of further promoting the four cardinal principles, take up his pen and contribute his share to the effort to clarify the ideological and theoretical chaos caused by the blatant bourgeois liberalization trend and train himself to be a staunch and mature Marxist.

Comrades who participated in the forum also expressed their views on the development problems of some branches of social sciences, the road to maturity of our individuals, and the strengthening of our study of Marxist theories and education in patriotism. Excerpts of the speeches delivered in the forum will be carried in succession in this newspaper.

### Symposium Held on Theoretical Campus Culture

HK09051105s Beijing RENMIN RIBAO in Chinese  
29 April 90 p 3

[Report by correspondents Xiao Tihuan (5618 7555 3562) and Liu Fei (0491 5481): "National Theoretical Symposium on Campus Culture Held in Beijing"]

[Text] Beijing, 28 April (RENMIN RIBAO)—Strengthening the theoretical study of campus culture in schools of various types and further promoting the sound development of campus culture to help schools better become a cradle for training new people who develop morally, intellectually, physically, and aesthetically and who love labor are the common demand of the participants of the national theoretical symposium on campus culture which was held in Beijing from 26 to 28 April.

Like enterprise culture, family culture, community culture, and rural culture, campus culture is one of the sub-cultures [ya wen hua 0068 2429 0553]. In recent years, campus culture in universities and middle and primary schools of various types in our country have developed very significantly. Literary, drama, music, dancing, and art mass organizations have sprung up in many schools; books and pictorials about musical instruments and board games can be found everywhere on campuses; and creation, performance, photography, martial arts, sports competitions or matches, and activities such as travelling and conducting social investigations have developed vigorously. Along with this, advances have been made in the theoretical study of campus culture. This being the case, the China Society of Mass Culture, the China Society of Higher Education, the China Society of Education, and the Propaganda Department of the Communist Youth League [CYL] Central Committee convened the current symposium. Concerned leading cadres, experts, scholars, and student representatives from educational, cultural, and CYL

organizations in all parts of the countries attended the symposium and more than 160 academic papers were submitted to the meeting.

At the closing ceremony of the forum, Gao Zhanxiang, executive vice culture minister and director of the China Society of Mass Culture, said: At present, campus culture has been developed superficially in most cases and far from being developed adequately. Judging from the current developments as discussed by forum participants, to bring about a flourishing campus culture, we should start with doing the following things: 1) Campus culture needs vigorous advocating; 2) campus culture needs party and government leadership; 3) campus culture needs teachers' guidance; 4) campus culture needs correct guidance; 5) campus culture needs training of "guides" (leaders); and 6) campus culture needs enthusiastic coaching.

### Economic & Agricultural

#### Enterprise Contract System Calls for Improvement

HK1005065390 Hong Kong CHING CHI TAO PAO  
in Chinese No 17, 30 Apr 90 p 11

["Informed Source" column by Yu Yi (0060 0044), filed on 26 April: "Term of the Contract System Not To Be Extended Beyond 1992"]

[Text] In its recent proposals for perfecting the contracted management responsibility system among enterprises under the system of ownership by the whole people, the Ministry of Finance stressed: Enterprises whose contracts have not yet matured should continue to execute their contracts and those whose contracts have expired are encouraged to extend the time limits of their contracts but, generally speaking, the time limits should not go beyond 1992.

According to the proposals, enterprises whose contracts have not yet expired or those which have extended the time limits of their contracts should appropriately increase their profit base figures and their progressively increased ratios previously set according to the contracts but later proved to be too low. During its contracting period, if an enterprise puts any new projects into production or contracts for or takes over other profit-making enterprises, it should increase the base figure of profits to be handed over to the state and turns in to financial departments more than half of its increased earnings resulting from the sales of products at increased prices after deducting the rise in the prices of raw and semifinished materials in the form of the increased contracted base figure or a special fund.

When it comes to the concrete forms of profits to be handed over to the state, the method of sharing profits in access of set quotas or that of sharing profits on the basis of a division of responsibility can be introduced in accordance with the principle of ensuring the steady growth of state financial revenues—namely, sharing the



portion of progressively increased profits in access of set quotas to be handed over to the state, sharing the portion of contracted base figure of profits to be handed over to the state, and sharing the portion of the progressively reduced subsidies for the losses (base figure of losses) as stipulated in the contract. The various forms of "fixed contracting" methods will no longer be put into practice. The ratio of profits in access of set quotas shared by enterprises should not be less than 35 percent.

All enterprises under contract management should draw a certain percentage of the profits they officially retained under the profit-sharing scheme and establish a risk-taking fund. The fund and risk mortgage fund will be used to make up for the profits that enterprises have failed to hand over to the state as required by their contracts. The risk mortgage fund should not bear a part in the distribution of enterprises' profits or dividends. When an enterprise has not fulfilled the task of handing the profits over to the state according to the contract, it should make up for the delayed payment in the following order: using the risk mortgage fund handed in by its operator or members of the group of operators, the risk mortgage fund handed in by individual employees, funds deducted from its operator's and employees' wages and bonuses as stipulated in the contract, the contract risk-taking fund drawn from the enterprise's retained profits, and the balances of its retained profits and other officially owned funds.

In addition, beginning in 1990, all enterprises (including enterprises under and not under contract management) should end the practice of drawing profits as employees' welfare fund and employees' encouragement fund after paying loans with profits they created and correspondingly increase the base figures of profits to be turned into the state as stipulated in their contracts. Enterprises should pay, without exception, the new loans extended to them for capital construction and special uses during the period of the first round of the contract system with the funds they retained. However, as far as the new enterprises which were built entirely with loans are concerned, when they pay loans with their profits, it is necessary to appraise and decide the rational amount of profits to be retained by them for their own disposal by taking their specific circumstances into account.

#### **Transponder of AsiaSat 1 Satellite Leased**

*HK1005021490 Hong Kong HONGKONG STANDARD in English 10 May 90 p 1*

[Text] China has taken up a lease on a transponder aboard the AsiaSat 1 satellite.

An Asia Satellite Telecommunications spokesman said the last available transponder on the northern beam of the region's first commercial satellite had been leased to China International Trust and Investment Corporation [CITIC].

CITIC is expected to start using it later this year for private telecommunication networks.

This squelched rumours that China might miss out on the use of the satellite which it helped to send into orbit on April 7.

Despite its involvement in the launch, China's Ministry of Post and Telecommunication had been unwilling to indicate whether it would seek a link-up to AsiaSat.

Letters of intent for two transponders were originally signed by China's energy resources and broadcasting, film and television ministries.

AsiaSat began negotiating for the lease of the final transponder with the ministries and AsiaSat shareholders CITIC.

#### **Agricultural Bank To Extend Long-Term Loans**

*HK1005034990 Beijing CHINA DAILY in English 10 May 90 p 2*

[By staff reporter Wu Yunhe]

[Text] The Agricultural Bank of China is set to increase long-term agricultural production loans for the development of agricultural projects, agrotechnique and farm and sideline products this year, CHINA DAILY has learned.

The bank and rural credit cooperatives extended 31.8 billion yuan (\$6.75 billion) in agricultural production loans during the first quarter of this year, the bank reported.

The figure was 8.7 billion yuan (\$1.84 billion) more than in the same period last year, a bank official said.

The Yellow River Delta in Shandong Province is the major site for agricultural development. There are 366,600 hectares of fertile uncultivated land, 14,260 hectares of grassland and 180,000 hectares of marshland waiting to be developed into farmland.

Backed by the Agricultural Bank, the country's major grain production base of Shandong Province will see its grain production increasing by 250 million kilograms and cotton production increasing by 2.5 tons next year, according to the Ministry of Agriculture.

The bank official said the bank provided money for rural supply and marketing agencies at all levels to supply enough materials to the country's farmers for this year's production.

The bank and rural credit cooperatives disbursed 49 billion yuan (\$10.4 billion) in commercial loans for such purposes during the first three months of this year, representing an increase of 3.2 billion yuan (\$679 million) over the same period last year, the official added.



**Article Promotes Agrosience, Technology**

HK0905104990 Beijing RENMIN RIBAO in Chinese  
25 Apr 90 p 5

[Article by staff reporter Wang Yougong (3769 0645 1872): "Promotion of Agricultural Production by Means of Science and Technology in China"]

[Text] An upsurge of paying attention to, supporting, and developing agriculture is in the making nationwide following the Fifth Plenary Session of the 13th CPC Central Committee. The CPC Central Committee, the State Council, and various social circles have placed great hopes on eventually applying science and technology to solve agricultural problems. In a short period of only three to four months since the promulgation of the State Council's "Decision on Relying on Scientific and Technological Progress to Boost Agriculture and Further Spread the Scientific and Technological Achievements in Agriculture," many provinces, municipalities, and autonomous regions have made decisions on boosting agriculture by means of science and technology. Some principal party and government leaders have personally taken part in mobilization and worked out relevant regulations and measures to boost agriculture by means of science and technology. A number of ministries and commissions have also taken action to support agricultural science and technology in planning and financial and material resources. We have never had such a fine environment for boosting agriculture by means of science and technology.

**Agroscientific personnel have taken action.**

The promulgation of the decision on boosting agriculture by means of science and technology has particularly encouraged the agroscientific and technological circles. Many agricultural experts, professors, and scientific and technological personnel believe that this is the best opportunity for them to display their talent. They have expressed their determination to do their utmost to tap the potentials of science and technology and contribute to further promoting agriculture.

The Ministry of Agriculture has set 1990 as a "year for spreading agricultural science and technology." They will further organize implementation of the "harvest scheme, spread agricultural science and technology at various levels in line with local conditions and in connection with the state's overall agricultural development, building of commodity bases, vegetable basket project, food and clothing project, spark plan, and popularization of agrotechniques, extensively carry out various forms of activities to spread technology, accelerate the application of scientific and technological achievements, and strive to increase production of major farm produce and reap harvests.

Heartening news has poured in from the Chinese Academy of Agricultural Science, Beijing Agricultural University, and other key agricultural science institutes—China's largest agricultural scientific research

center: Apart from sending a number of scientific and technological personnel, lecturers, and students to the first line of agricultural production to spread the sparks of science and technology, they are accelerating the work concerning study and appraisal of a number of "seventh five-year plan" key problems. Facing the problems of population, natural resources, environment, and food of this century and the 2020's, they strengthened high technology, new technology, and relevant major basic studies, in an attempt to make major progress in crops, breeding stock, crossbreeding, modern intensive high-yield agriculture, and the overall development of middle and low-yield areas.

**Boost "big agriculture" by means of "major science and technology."**

Modern agricultural scientific research has entered the development period in which conventional technology is merged with biological engineering, remote sensing technology, electronic computer, and the use of atomic energy. This determines that boosting agriculture by means of science and technology requires hard work by agricultural departments and agricultural scientific and technological forces as well as support and coordination by various branches of learning and technological fields. This is what we mean by "boosting big agriculture by means of major science and technology."

The Chinese Academy of Sciences, which has a solid scientific research foundation and forces for tackling key problems, has regarded boosting agriculture by means of science and technology as its duty. A few years ago, the academy organized the forces of various branches of learning to transform the middle- and low-yield land in Huanghuaihai. Recently, they worked out further plans for increasing the staying power of agricultural science and technology and the construction of the demonstrative fields. They also sent dozens of deputy county magistrates responsible for science and technology to Shandong and contributed a great deal of the academy's agricultural achievements to the province.

The Fifth Plenary Session of the Third Chinese Scientific Association held not long ago adopted a decision calling on scientific and technological workers of the whole country to plunge themselves into the drive of boosting agriculture by means of science and technology. The meteorological departments which have made great contributions to China's agricultural production through weather forecasting have recently decided to take forecasting of low temperature, frost damage, and hot air as the main topics of scientific research and make further arrangements for special forecasts serving agricultural production.

Plastic sheeting, which has been extensively applied in China's northern and southern areas in recent years, has become a successful technology for agricultural development. However, the large amount of used plastic sheeting may become a "white disaster" causing a decrease in land yields. How to prevent this "white

disaster" has become an issue of common concern of the petrochemical, light industrial, and relevant departments. The comrades from the petrochemical departments told this reporter that their scientific and technological personnel developed various additives for producing durable plastic sheeting suitable for various crops. The scientific and technological workers also proposed regulations for technical operation of reducing cultivated land pollution caused by used plastic sheeting.

**Various trades and professions vie with one another to contribute to agriculture by means of science and technology.**

The ministries and commissions have also done their utmost to contribute to agriculture by means of science and technology.

After a careful study, the leaders of the Ministry of Geology and Minerals, in connection with their own characteristics, proposed the seven-word principle including "water, soil, fertilizer..." to serve agriculture. For example, they searched water for the localities with water shortages, they made use of their prospecting results to help peasants analyze and improve soil, and they produced mineral fertilizer and fodder.

The Ministry of Petrochemical Industry recently produced a series of highly-efficient and low-toxic new pesticides. They also manufactured a number of new products including an herbicide, fodder additive, preservative, and highly-efficient compound fertilizer.

While encouraging scientific research personnel of universities and colleges to take part in tackling major agricultural problems, the State Education Commission also trained badly needed qualified personnel to boost agriculture by means of science and technology.

Rural youths are the hope of agricultural development and rural prosperity. The growth of large numbers of

young peasants with knowledge and creative spirit will bring about scientific and technological progress and development of the rural economy as a whole. In a short period of only a year, the Youth League Central Committee and the State Education Commission trained more than 40,000 youth leaders in the "activity of training youth leaders," which exerted a good influence. They will further sum up experience and carry on the activity.

Material input is necessary to boost agriculture by means of science and technology. Following the monopoly of the major materials for farm purposes, the peasants usually cannot get the suitable "medicine" with the "prescription" prepared by the agricultural scientific and technological departments. In view of this state of affairs, the supply and marketing cooperative departments in Hebei created new experiences in maintaining ties with the agricultural, scientific, and technological departments and offering a full range of technological and material services to the peasants, which effectively promoted the development of agricultural production. Following an inspection, the leaders of the Ministry of Commerce plans to spread this method to the commercial departments of the whole country.

Capital input is also necessary for scientific and technological progress. The People's Bank of China enthusiastically supported agricultural development by means of science and technology. They have decided to increase the amount of credit for science and technology and have officially regarded for the first time credit to science and technology as an item of the bank. The Construction Bank and other financial departments also formulated policies of supporting agriculture in credit and investment. The Bank of Agriculture and the Industrial and Commercial Bank have decided to grant a 300 million yuan loan this year to science and technology. The State Natural Science Foundation Committee has also increased the proportion of its capital for the research projects related to agriculture.

**East Region****Anhui Governor Attends CPPCC Meeting***OW0705134890 Hefei Anhui Provincial Service  
in Mandarin 1000 GMT 20 Apr 90*

[From the "Provincial Hookup" program]

[Text] The Third Session of the Sixth Provincial Committee of the Chinese People's Political Consultative Conference [CPPCC] held its second meeting this afternoon at the Jianghui Theater in Hefei. The executive chairmen for today's meeting were Pan Ezhang and Zhao Huaishou, both vice chairmen of the provincial CPPCC Committee. Shi Junjie, chairman, and Xu Leyi, Wang Zenong, Sun Youqiao, Ma Leting, Guang Renhong, Teng Maotong, Meng Yiqi, and Liu Yiping, vice chairmen of the provincial CPPCC Committee, attended the meeting. They were seated at the rostrum.

Provincial Governor Fu Xishou and Vice Governor Wu Changqi also attended the meeting to hear the speeches made by CPPCC Committee members.

Speakers at today's meeting were Guang Renhong, (Ding Shikuang), (Ye Shucang), (Wu Dongzhi), (Zhang Yungui), (Shao Zhikang), (Zhao Hechun), and (Zhang Wenxiang). They mounted the rostrum and spoke on such issues as safeguarding national stability, upholding and improving the multiparty cooperation system under the CPC leadership and the system of political consultations, promoting the peaceful reunification of the motherland, and protecting and developing water resources.

Also seated at the rostrum were (Yi Shuxun), secretary general of the provincial CPPCC Committee; Zhang Binglun, head of the United Front Work Department of the provincial party committee; and some members of the Standing Committee of the provincial CPPCC Committee.

**Jiangsu's Township, County Elections Complete***OW0505110290 Nanjing Jiangsu Provincial Service  
in Mandarin 1015 GMT 3 Apr 90*

[Text] More than 40 million voters participated in the direct election of county and township-level people's deputies in Jiangsu. Currently, 150,000 new county and township-level deputies have been elected according to law. On the basis of the local organic law, the people's congresses at the township and county levels in various localities in the province had held their first sessions and elected the leaders of some local government organs. This direct election in the province is a major event in propagating and implementing the guidelines laid down by the fourth and fifth plenary sessions of the 13th CPC Central Committee, improving the people's congress system, and consolidating the basic-level political power. The standing committees of the people's congresses at various levels provided the proper guidance, while the relevant departments closely coordinated with each other in carrying out their work. [words indistinct] The

newly-elected deputies are of high educational standards. All of them attended institutions of higher learning or middle school. [words indistinct]

**Jiangxi Governor Commends Young Teachers***HK0305152190 Nanchang Jiangxi Provincial Service  
in Mandarin 1000 GMT 3 May 90*

[Text] This morning, the propaganda department of the Jiangxi Provincial CPC Committee and the Jiangxi provincial education commission jointly held a meeting in Nanchang to commend advanced young teachers.

A total of 60 young teachers were commended at the meeting.

Provincial party and government leaders, including Wu Guanzheng, deputy secretary of the Jiangxi Provincial CPC Committee and concurrently governor of Jiangxi Province, attended and conferred certificates of merit on the 60 advanced young teachers at the meeting.

More than 1,000 teachers from various schools and institutions of higher learning in Jiangxi attended the meeting.

Comrade Wu Guanzheng delivered a speech at the meeting.

On behalf of the Jiangxi Provincial CPC Committee and the Jiangxi provincial people's government, Comrade Wu Guanzheng extended congratulations to all the 60 advanced young teachers, called on all the young teachers in Jiangxi to follow their example, learn from them, adhere to a correct political orientation, support the CPC and socialism, develop the spirit of selfless devotion, and love education work.

Comrade Wu Guanzheng expressed the hope that all the 60 advanced young teachers commended at the meeting will continue to remain modest and prudent, guard against conceit and impetuosity, raise ideological and professional standards, and make greater contributions to Jiangxi's education development.

Comrade Wu Guanzheng said that young and middle-aged teachers are the main force of Jiangxi's education cause. Strengthening ideological and political work among young teachers will undoubtedly contribute to the stability in all types of schools in Jiangxi, promote the healthy development of Jiangxi's education cause, and push ahead with the implementation of the socialist education policies as well as the work of training both politically and professionally qualified successors to the socialist cause. Therefore, all the comrades concerned in Jiangxi must fully understand the importance and urgency of this work, attach strategic importance to this work, show more concern for the healthy growth of young teachers, organize all the young teachers in Jiangxi to study the basic theories of Marxism as well as the CPC's line, principles, and policies so as to heighten their ideological consciousness and ethical standard, and



must show more concern for the livelihood and work of the young teachers and help them solve problems in their daily life and work.

Comrade Wu Guanzheng stressed that leaders of various schools in Jiangxi should pay more attention to the development of young teachers, work hard to create better conditions for the healthy development of young teachers, and enable the broad masses of the young teachers to play a positive role in Jiangxi's education development.

Comrade Wu Guanzheng expressed the hope that the broad masses of the young teachers in Jiangxi will steadfastly adhere to a correct political orientation, consciously study the CPC's basic line, principles, and policies, love education work, strengthen sense of political responsibility, strive to ensure a comprehensive development of their students, actively participate in social practice, learn from the working people, foster a proletarian world outlook, study harder, and further raise their own professional standard.

#### **Jiangxi District Celebrates 4 May Movement**

*HK0705040290 Nanchang Jiangxi Provincial Service in Mandarin 1000 GMT 5 May 90*

[Text] Yesterday afternoon, the Jiangxi Provincial Military District held a meeting to commemorate the 71st anniversary of the "4 May Movement" and call on people to carry out activities aimed at learning from Lei Feng.

At the meeting, Wei Chengan, political commissar of the Jiangxi Provincial Military District, relayed the spirit of a meeting held recently by the People's Liberation Army [PLA] Nanjing Military Region on commemorating the 27th anniversary of Chairman Mao's inscription of "Learning from the Good Eighth Company on the Nanjing Road."

Zhang Chuanshi, commander of the Jiangxi Provincial Military District, delivered a speech entitled "Learn from Lei Feng and the Good Eighth Company" at the meeting.

The meeting commended a number of advanced officers and soldiers and units and called on the broad masses of officers, soldiers, cadres, and people's militiamen to carry out activities aimed at learning from Lei Feng and the "Good Eighth Company" in a down-to-earth manner and make greater contributions to maintaining stability in Jiangxi and promoting economic development of Jiangxi Province.

#### **Zhu Rongji, Others Attend News Briefing**

*OW1005012790 Shanghai JIEFANG RIBAO in Chinese 1 May 90 P 1*

[By reporter Jiang Xinhe (5592 1800 0735)]

[Text] "Shanghai welcomes foreign friends and countrymen from Hong Kong, Macao, and Taiwan to join in the development of, and investment in, Pudong District." This was stated by Huang Ju, vice mayor of Shanghai, at a news briefing by the Information Department of the Shanghai municipal government at Jingjiang Restaurant yesterday afternoon. On behalf of the municipal government, Huang Ju briefed Chinese and foreign reporters on the plans, steps, and 10 measures for the development of Shanghai. (details will be published separately)

Mayor Zhu Rongji and Vice Mayor Huang Ju also answered the reporters' questions relevant to the development of the Pudong District. Mayor Zhu Rongji also declared at the meeting that the office of the leading group in charge of the development will begin to operate on 3 May. (details will be published separately)

Present at the briefing were Chinese and foreign reporters, officials of general consulates of various countries in Shanghai, representatives of commercial offices of various countries and regions in Shanghai, and representatives of various foreign banks in Shanghai, totalling more than 300 people.

Liu Zhenyuan, Ni Tianzeng, Wang Daohan, and other Shanghai party and government leaders were present.

#### **Shanghai Benefits From Foreign Investment**

*OW0905181590 Beijing XINHUA in English 1515 GMT 9 May 90*

[Text] Shanghai, May 9 (XINHUA)—The United States was the biggest overseas investor in Shanghai in the first quarter of this year.

According to statistics issued by the Shanghai Municipal Working Committee on Foreign Investment, the city received a total of 62.83 million U.S. dollars in direct foreign investment in the first four months of this year, 25.81 million U.S. dollars or 41 percent of which came from the United States.

The second largest overseas investor in Shanghai in the period was Hong Kong, accounting for 25 percent of the total.

The Netherlands ranked third, with 11 percent of the total.

In the first quarter of this year the Shanghai municipal government approved the setting up of 50 overseas-funded projects, including 43 Sino-foreign joint ventures, five solely foreign-funded projects and two Sino-foreign cooperative ventures. These projects involved businessmen from nine countries and regions, namely the United States, Hong Kong, the Netherlands, Japan, France, Britain, Thailand, Singapore, and Taiwan.

Many first time U.S. investors in China this year are leading multinationals. They include E.I. Du Pont de



Nemours, ITT Corp., Westech International, Dylan Enterprises Inc., and Burmah Speciality Chemicals Ltd.

Other big U.S. companies such as Minnesota Mining and Manufacturing Co., Johnson and Johnson, Xerox, W. R. Grace and Co. and Raychem Corp. have had an investment presence in Shanghai for some time.

By the end of April this year, 102 out of the total 759 overseas-funded enterprises in Shanghai were U.S.-funded ones and the total U.S. investment in the city had reached 650 million U.S. dollars, accounting for 25 percent of the total overseas investment of 2.56 billion U.S. dollars in the city.

### **Shanghai Economic Zone Develops Rapidly**

*OW0905100990 Beijing XINHUA in English  
0756 GMT 9 May 90*

[Text] Beijing, May 9 (XINHUA)—Shanghai's Minhang Economic and Technological Development Zone has developed steadily since it was set up five years ago.

Over the past five years, construction of 57 joint ventures and 4 solely foreign-invested ventures was begun. Thirty-nine of the enterprises have already gone into operation.

Last year, the zone's total industrial output value was 680 million yuan (about 140 million U.S. dollars). Exports totaled 49.08 million U.S. dollars.

The zone handed nearly 200 million yuan (about 40 million U.S. dollars) in pretax profits over to the state, according to today's "PEOPLE'S DAILY."

The zone used to be nothing more than 2.13 square kilometers of water-logged land on the upper reaches of the Huangpu River. Today it is the fastest growing of the 14 economic and technological development zones in China.

The United States, Hong Kong and Japan are the three largest investors in the zone. The zone's projects all involve some degree of foreign investment.

Eighty-two percent of its enterprises are either equipped with state-of-the-art technology or are export oriented. Some of them are developing hi-tech products in cooperation with scientific institutes in Shanghai.

The zone's administrative body has made great efforts to improve efficiency and services. Its 20 foreign economic and trade departments, including its management and service center, customs and the administration for the inspection of import and export commodities, have been housed in one building.

### **Shanghai Regulations on Clean Government**

*OW0505130790 Shanghai WEN HUI BAO in Chinese  
16 Mar 90 p 1*

[Regulations of the Shanghai Municipal CPC Committee and the Shanghai Municipal People's Government on Maintaining Integrity by Personnel of the Party and Government Organs, promulgated on 15 March 1990]

[Text] In accordance with the guidelines set out in the instructions and relevant documents of the CPC Central Committee and the State Council on strengthening the building of clean government, the following regulations are laid down for personnel of the party and government organs in this municipality to follow in maintaining their integrity:

1. All personnel of party and government organs at various levels in this municipality must always bear in mind the purpose of serving the people wholeheartedly, forge close ties with the masses, listen attentively to their views, maintain and carry forward the fine tradition of hard struggle and plain living, be honest in performing their official duties, abide by the law and discipline, and resolutely resist the corrosive influence of all decadent ideas of the exploiting classes.
2. It is strictly forbidden for personnel of party and government organs to take bribes, kickbacks, commissions, service charges, unearned wages, and so forth.
3. It is strictly forbidden for party and government organs to engage in trade, set up an enterprise, or invest in an enterprise (or company) as a shareholder. Personnel of the party and government organs must not hold a concurrent post (including an honorary post) in an enterprise, and those who have done so must resign their posts in party or government organs or in enterprises. Those who hold a concurrent post in an institution or social group must obtain approval according to relevant regulations and must not receive remuneration for holding such a concurrent post.
4. It is strictly forbidden for personnel of party and government organs to abuse their powers to seek personal gain. Personnel of party and government organs must not seek special consideration for their spouses, children, relatives, or friends in worker recruitment, student enrollment, cadre employment, cadre promotion, transferring from agricultural to nonagricultural household registration, as well as in going abroad, leaving one place for another, and obtaining approval for purchasing means of production and commodities in short supply.
5. Party and government organs must not build or purchase above-standard housing for leading cadres or buy commodity houses with foreign exchange for them. Personnel of party and government organs must not take advantage of their positions and powers to assign more or better housing to themselves or their relatives or friends than they should. They must not use public funds, government materials, or manpower of their units

to build or repair housing for themselves in violation of regulations. They must obtain approval from the competent authorities before building a house for themselves, but they must not use more land than they should.

6. In doing official business, including work inspection and investigation by higher authorities, official contacts between those on the same levels and between different areas, study visits, and cadre transfers, it is strictly forbidden to give dinners or provide any form of entertainment with public funds. In handling foreign affairs, dinners must be given in accordance with relevant regulations, and the number of people present must be strictly controlled.

7. Personnel of party and government organs who are on official business in the municipality or in other places than the municipality and cannot return to their units or homes for dinner may buy a dinner coupon from a workers mess hall and eat there or be provided with a working meal by the units receiving them. Those who are provided with working meals must pay for them according to relevant regulations.

8. Personnel of party and government organs who go abroad on official business must perform the work for which they are responsible, and they must not for any reason make a visit abroad that is not needed by their duties and not suited to their rank and status. Those who visit foreign countries must act according to relevant regulations, and must not for any reason travel by a roundabout route or purposely extend their stay abroad.

9. Personnel of party and government organs generally should not be invited to put up a new signboard for a unit, cut the ribbon at an opening ceremony, attend the anniversary of the founding of a factory or a school, or participate in the inaugural meeting or anniversary of a society, federation, or association of which they are not members. If they must participate in such activities because of their importance, they must have their leaders' approval.

10. In the course of conducting official business in China, personnel of party and government organs are not permitted to give or accept gifts. If a gift intended for an individual is hard to decline, it must be turned in to the organization. In dealing with people from abroad, personnel of party and government organs are not permitted to seek gifts or donations, either in cash or in kind, from foreigners, Overseas Chinese, foreigners of Chinese descent, or Hong Kong, Macao, and Taiwan compatriots.

11. Under no circumstances, should personnel of party and government organs obtain products from enterprises on the pretext of trial use or quality appraisal, nor should they buy things at lower than regular prices in rural areas, factories, or stores.

12. Party and government organs must strictly follow regulations concerning possession and use of motor vehicles. They are not allowed to buy imported sedans,

nor are they permitted to keep special cars for leading cadres without proper authorization. It is impermissible to use public vehicles for private business. If, for special reasons, a public vehicle must be used for private business, approval must be obtained from the authorities and expenses must be paid in accordance with relevant regulations.

13. Party and government organs should not make financial apportionment in the name of seeking support, nor should they concoct pretexts to collect unauthorized fees. They should not apportion enterprises and institutions the burden of paying for their expenses in connection with meetings, other activities, purchases, temporary duties, and overseas travel.

14. Party and government organs must practice economy, oppose waste and extravagance, simplify meetings, and reduce spending. Ordinary meetings should not be held in guest houses, and meetings on local businesses should not be held out of town.

15. Party and government organs must strictly abide by the financial and economic discipline of the state and strictly control institutional purchase. They should not set up their own "small treasuries," nor should they issue bonuses, either in cash or in kind, in violation of regulations. They are permitted to organize neither domestic nor overseas sightseeing trips at public expense.

16. Party and government leaders at all levels must take the lead in implementing these regulations.

17. Discipline inspection and supervisory departments and the leading party groups of party and government organs should supervise and inspect the implementation of these regulations. Violators of these regulations should be subject to criticism or to party or administrative disciplinary action according to the seriousness of violation. Those who violate law should be handled by judicial organs according to law.

18. These regulations are applicable to party organs, state organs, and mass organizations at all levels in this municipality, as well as their personnel.

19. These regulations come into force upon promulgation.

### Enterprise Output Increases in Ningbo, Zhejiang

OW0405231190 Beijing XINHUA in English  
1418 GMT 4 May 90

[Text] Ningbo, May 4 (XINHUA)—The production of foreign-funded enterprises in Ningbo, located in Zhejiang Province and one of China's open coastal cities, continued to rise in the first three months of this year.

A city official in charge of industry said the 106 foreign-funded enterprises that have already gone into production generated an output value totalling 141 million yuan (about 30 million U.S. dollars) in the first quarter of this

year, up 123 percent over the same period last year. They obtained 5.24 million yuan (about 1.11 million U.S. dollars) in profits, up 39 percent.

According to the official, foreign business people made direct investment totalling a record 15.57 million U.S. dollars here last year.

So far the city has approved 175 foreign-funded enterprises with a combined investment of 1.2 billion yuan (about 255 million U.S. dollars).

While paving the way for foreign-funded enterprises to boost their production even further, the city is streamlining Chinese enterprises and helping them to improve management and the quality of their products to promote exports.

### Central-South Region

#### Reportage on Guangdong People's Congress

##### Guangdong Governor To Remain

HK1005024190 Hong Kong WEN WEI PO  
in Chinese 9 May 90 p 1

[Report by staff reporter: "Guangdong Governor and Vice Governors Will Not Be Replaced at the Forthcoming People's Congress Session"]

[Text] Guangzhou, 8 May—An informed source disclosed here that the third session of the seventh Guangdong provincial People's Congress [GPPC], to be held tomorrow [9 May], will have no arrangements for changing the present governor and vice governors. The person said that the responsible persons in the Guangdong provincial government still have two years to go before the next election takes place.

However, this reporter has learned that there will be some personnel changes among individual responsible members of the GPPC Standing Committee owing to the their ages but never in "the entire congress" as some outside sources have rumored.

The GPPC third session will convene a preparatory meeting this afternoon to pass the meeting agenda, the namelist of the sessional presidium, and the like. There has been a slight change in the members of the presidium prior to today's voting, namely the fact that Li Hao, party secretary and mayor of Shenzhen City is no longer included in the presidium. This vacancy is filled by Zhou Xiwu, head of the preparatory team of the Shenzhen City People's Congress.

##### Changes Expected in People's Congress

HK1005061590 Hong Kong TA KUNG PAO  
in Chinese 10 May 90

[Report: "Lin Ruo Says the Post of People's Congress Standing Committee Chairman Will Be Decided by Deputies Through Election"]

[Text] Guangzhou, 9 May (TA KUNG PAO)—Lin Ruo, secretary of the Guangdong Provincial CPC Committee, told a reporter of this newspaper, that as a Communist Party member he will do whatever the party tells him to.

Lin Ruo made the above remark when asked about the personnel transfer due to be discussed at the current session of the provincial People's Congress. When asked if he will concurrently take up the chairmanship of the provincial People's Congress Standing Committee, he said the matter will be decided upon through election. If the delegates choose him, that means they have faith in him.

The rumor got around fast that Luo Tian, who will resign from the People's Congress as its chairman, will be replaced by Lin Ruo, secretary of the provincial party committee. This has made the current session of the People's Congress catch greater attention of all sides.

#### Speculation Over Lin Ruo

HK0905022090 Hong Kong HONGKONG STANDARD  
in English 9 May 90 p 6

[By Stanley Leung]

[Text] The Communist Party Secretary in Guangdong, Lin Ruo, a close associate of disgraced party boss Zhao Ziyang, has been tipped to take over as chairman of the Guangdong Provincial People's Congress Standing Committee next week.

Informed sources in Guangdong yesterday told THE HONGKONG STANDARD Mr Lin was likely to succeed Luo Tian.

Mr Luo is expected to officially resign during the congress's annual session this weekend.

Sources said he had decided to step down due to old age and the unfavourable political climate.

If Mr Lin, 66, took over as chairman of the provincial legislature during the congress, he would then retire from his post of party secretary of the province in the latter half of this year, sources said.

"After Mr Lin retires as provincial party secretary, his political influence in Guangdong will shrink considerably," a source said.

Another candidate who might be considered to replace Mr Luo is senior Guangdong official, Yang Li, deputy chairman of the provincial congress's Standing Committee.

Mr Yang, 62, is chairman of the Preparatory group of the third session of the seventh Guangdong Provincial People's Congress and is also a former governor of the province.

Mr Yang earlier said there would be major personnel changes in the upcoming congress, but these would involved only a few leaders on the Standing Committee.



The congress, which opens in Guangzhou today, will scrutinise reports submitted by the Guangdong government, Provincial People's Procuratorate and Provincial People's Court.

Speculation about the retirement of Mr Lin has mounted in Guangdong.

But sources ruled out the possibility of State Council spokesman Yuan Mu being transferred to Guangdong to take over.

The Guangdong congress was originally scheduled to open in early March but was postponed without official reason.

There was speculation that the congress was delayed because of major personnel changes in the provincial government.

But the agenda, which was approved at yesterday's preparatory meeting, did not include an item about personnel changes.

#### Guangdong Governor Views Economy

OW0905105090 Beijing XINHUA in English  
0937 GMT 9 May 90

[Text] Guangzhou, May 9 (XINHUA)—The governor of south China's Guangdong Province, Ye Xuanping, said here today that the province will maintain appropriate economic development this year.

He said this year's GNP increase is planned at 5 percent, and total industrial and agricultural output value is planned to increase by 5.8 percent.

Speaking at the third session of the Seventh Guangdong Provincial People's Congress which opened here today, the governor said Guangdong plans to increase its exports by 21.8 percent and revenues by 4 percent this year.

In his government work report, Ye said greater efforts will be made to better integrate economic rectification and reform with economic and social development.

But, he said, all work will be subordinate to maintaining political, economic and social stability in the province.

While readjusting industrial structure and improving economic efficiency, he said efforts will be made to tap production potentials and maintain normal production.

It was announced at today's meeting that Guangdong's revenues during the first three months this year were 2.819 billion yuan, a 7.46 percent increase over the first quarter last year, and exports increased 25.7 percent during the first quarter compared with the same period last year.

#### Congress To Tackle Deficit Budget

HK0905023590 Hong Kong SOUTH CHINA  
MORNING POST in English 9 May 90 p 11

[By Daniel Kwan in Guangzhou]

[Text] The Guangdong People's Congress which opens today is expected to adopt a 2.69 billion yuan (HK\$4.43 billion) deficit budget for 1990.

The budget which will be tabled before the congress by Guangdong's finance director, Mr Lin Denyun, will include cuts in the provincial expenditure for 1990.

In addition to a series of cut in expenditure, Guangdong will also have to hand over one billion yuan more to the central Government in 1990 than it did in 1989.

Total expenditure for 1990 is calculated at 14.31 billion yuan, seven percent up from 1989. However, revenue for 1990 is only 11.62 billion yuan, four percent up from 1989.

According to the budget, the lower revenue was mainly due to less profits by enterprises, less loans repayment from infrastructure projects, and a remarkable decrease in "miscellaneous revenue" which is estimated at 202 million yuan, 68.05 percent down from last year.

Despite its heavy financial burden, the provincial government will not cut spending in such areas as subsidies for prices, financial assistance for impoverished areas, the militia and environmental protection.

In his budget, Mr Lin said all other areas will face a five percent cut in expenditure while areas such as infrastructure projects and renovation funds for enterprises will be cut by as much as 10 percent.

"Since we can only foresee a four percent increase in revenue which is not even enough to meet the increased contribution by Guangdong province to the central Government and the extra-spending needed in the adjustment of workers' wages...we can only follow the central Government's tight control and spending policy in compressing our (1990s) expenditure on the basis of our 1989 figures," he said.

In his 1989 Government Report, the Governor, Mr Ye Xuanping, also predicted a difficult year for the province this year.

"Under the ongoing 'double-austerity' policy of the central Government, it would be quite difficult for Guangdong to solve its shortage of capital problem," Mr Ye said.

According to Mr Ye, a total of 13,483 companies were under investigation in Guangdong province since 1988 as a result of the nationwide economic austerity programme.

Of the 13,483, more than 4,300 have either been closed or merged.



"Although the investigation has achieved certain results, it was still not up to the targets set by the central Government and more companies will be put under investigation," Mr Ye said.

The Governor also warned that the poor economic climate might prevail for some time and he expected Guangdong would continue to have a sluggish market, more enterprises would be closed, higher unemployment, lower industrial growth.

Mr Wang Guiying, the director of Guangdong's Planning Commission, pointed out in his report to the congress that the additional resources would not be shared by the province.

"This year, we are expected to see less resources to be allocated to Guangdong under the present policies of the central Government that is to allocate more resources to certain industries and medium and large enterprises", he said.

#### **Guangdong Issues Circular on Family Planning**

HK0705094290 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 6 May 90

[Text] Recently, the Guangdong Provincial People's Government issued a circular demanding that the people of Guangdong take immediate actions to push ahead with Guangdong's family planning work.

The circular said that despite the fact that she has achieved gratifying results in her family planning work this year, Guangdong has failed to fulfill her family planning quotas and check her excessive population growth for four successive years during the Seventh Five-Year Plan period.

The circular said that in view of this rigorous situation, the Guangdong Provincial People's Government demanded that people's governments at all levels in Guangdong immediately formulate specific plans aimed at implementing to the letter family planning quotas and implement a family planning-oriented responsibility system at all levels. All departments and mass organizations concerned in Guangdong must actively cooperate and coordinate with one another in carrying out family planning work.

The Guangdong Provincial People's Government also decided to implement a separate management system aimed at promoting family planning work in counties with a high multi-birth rate and a low family planning rate.

#### **Guangdong Increases Industrial, Grain Output**

OW0905225590 Beijing XINHUA in English 1335 GMT 9 May 90

[Text] Guangzhou, May 9 (XINHUA)—The economy of Guangdong Province, a pioneer of China's economic

reforms, has been showing a rising momentum in recent months, Governor Ye Xuanping said today.

The industrial output value of the province totalled 33.4 billion yuan in the first quarter of this year, 4.4 percent over the figure for last year's same period, Ye told the third session of the seventh provincial People's Congress, which opened here today.

Meanwhile, the province harvested 738,000 tons of grain this spring, a 11.8 percent increase over the last spring's figure.

Guangdong's annual grain output was 18.17 million tons last year.

He attributed the increase to cutbacks in sectors which consume a lot of energy and materials yet turn out products of poor quality, improvement of enterprise management, higher efficiency and development of new products.

#### **Guangdong's Rural Enterprises Improve Economy**

OW0505085890 Beijing XINHUA in English 0759 GMT 5 May 90

[Text] Guangzhou, May 5 (XINHUA)—Rural enterprises in Guangdong Province in south China have achieved rapid economic gains in recent years.

Last year the total production value and income of the rural enterprises were 57.1 million yuan and 65.6 million yuan, respectively. These figures equal increases of 20 percent and 16.3 percent over 1988.

Their export volume last year reached two billion U.S. dollars-worth, 30 percent more than in 1988 and one fourth of the total export volume of the province.

In the first quarter of this year, the rural enterprises scored 9.8 percent and 8.12 percent increases in their output value and income, and their exports rose by 30 percent as compared with the same period of last year.

During the ongoing economic readjustment and rectification, the province has closed or transferred to other sectors some 43,000 small-sized rural firms which were wasteful of raw materials and energy. But the number is only 3.78 percent of the total number of rural enterprises in the province.

The 3,300 new projects started by the rural enterprises last year are mainly in the fields of developing local natural resources and export-oriented production.

Now there are more than 15,000 rural enterprises in Guangdong engaging in export production. Their employees number 1.2 million and they export more than 1,000 varieties of products.

Some 400 enterprises now can earn more than one million U.S. dollars each year from exports.

A total of 171 products, including cement, textiles, cassette tapes, machinery, garments, glass, food, shoes, cables, Chinese traditional medicine and fodder made by rural firms have been named as quality products by the province and the state.

**Guangxi Officials Spend May Day With Workers**

*HK0305133490 Nanning Guangxi Regional Service  
in Mandarin 1030 GMT 2 May 90*

[Excerpts] Just as workers, peasants, intellectuals and other laborers of the country were celebrating the International Labor Day on 1 May, regional party committee Secretary Chen Huiguang together with Nanning City Party Committee Secretary (Zhao Yishen) and Vice Mayor Xie Ruxuan, went down to the Nanning Aluminum Plant and the Nanning City Beer Brewery to extend their best regards to workers. On the occasion, they encouraged workers to make their new contribution to political, economic and social stability and development.

"Ours is a socialist country led by the communist party, in which the working class is the leading class. As long as we rely on the working class wholeheartedly, esteem their position as the masters of the country, give full play to their role as the main force, all our work will go smoothly." These were remarks emphasized repeatedly by Chen Huiguang when he talked with cadres of the two factories. [passage omitted] Talking with leaders of the two factories respectively, Chen Huiguang pointed out: In saying maintaining close links with the masses of the people, we just mean listening attentively to the voice of the masses and helping them and the grassroots units solve problems with tangible results. If we fail to help them solve problems, we cannot say we maintain close links with the masses. If some problems cannot be solved for the time being, we should explain the reasons why. We are opposed to the irresponsible work style of giving no replies to the solution of any problems. [passage omitted]

Meanwhile, Chen Huiguang called on enterprises to pay attention to technological transformation to solve the problem of their sustained development while improving their economic results. He also talked with enterprise leaders about the problem of recruiting new party members from workers on the forefront of production, and young workers in particular, and called on party organizations of enterprises to conduct patriotic and socialist education among workers in a vivid and lively way. Those workers who do well in their work and are qualified for party membership should be actively admitted into the party. Workers, he added, cherish a deep affection for the party but we should still do ideological work with meticulous care among them for admission into the party. Our enterprises will be stronger if party organizations there are developed and expanded.

**Hainan Secretary Xu Shijie Attends Reception**

*HK0905030690 Haikou Hainan Provincial Service  
in Mandarin 2200 GMT 7 May 90*

[Text] Yesterday afternoon, HAINAN RIBAO held a tea party in Haikou's (Wanghai) International Hotel to celebrate the 40th anniversary of the publication of HAINAN RIBAO.

Provincial party and government leaders, including Xu Shijie, secretary of the Hainan Provincial CPC Committee, Liu Jianfeng, deputy secretary and concurrently governor of Hainan Province, Miao Enlu, member of the Standing Committee of the Hainan Provincial CPC Committee, Zheng Zhang, vice chairman of the Standing Committee of the Hainan Provincial Conference of People's Representatives, Wang Houhong, director of the Propaganda Department of the Hainan Provincial CPC Committee, Ma Baishan, a veteran provincial cadre, and others, attended.

The tea party was also attended by more than 400 representatives of the staff and workers of HAINAN RIBAO and some guests.

Lin Gongsheng, chief editor of HAINAN RIBAO, delivered a speech.

Comrade Xu Shijie also delivered a speech.

He said that it is 40 years now since the first issue of HAINAN RIBAO was published. HAINAN RIBAO has now become a mature newspaper. Comrade Xu Shijie expressed the hope that HAINAN RIBAO will become more mature in the future, become more capable of distinguishing right from wrong on questions of principle, and further improve its own quality.

Comrade Miao Enlu said that HAINAN RIBAO is first of all a CPC-run newspaper, a newspaper run by the Hainan Provincial CPC Committee, and a newspaper run by the biggest special economic zone in China. Therefore, HAINAN RIBAO must aim at developing the fine traditions of the CPC and displaying the characteristics of the Hainan Special Economic Zone.

Comrade Wang Houhong, Comrade Ma Baishan, and Comrade Lin Gongsheng also delivered speeches.

In his speech, Comrade Lin Gongsheng said that in the future, HAINAN RIBAO must adhere more closely to the principle of party spirit, more extensively publicize the CPC's principles and policies, more accurately reflect the views and demands of the broad masses of the Hainan people, further carry out news reform, and further improve its own quality under the leadership of the Hainan Provincial CPC Committee so as to act as an effective mouthpiece of the CPC and a bridge between the Hainan Provincial CPC Committee and the Hainan Provincial People's Government on the one hand, and the broad masses of the Hainan people on the other.

**Hainan SEZ Investment Opportunities Viewed***OW0105045090 Beijing XINHUA in English  
0756 GMT 30 Apr 90*

[Text] Haikou, April 29 (XINHUA)—Formerly a sleepy island off the southern tip of China, Hainan Province is becoming a mecca for foreign investors.

A provincial official said this is the result of the preferential economic policies given to the island by the central government, the island's rich natural resources and potential markets.

At the time when Hainan was designated as China's largest special economic zone and became a new province, business people at home and abroad streamed into the island to make investigation and hold trade talks.

Now funds, technology and people of talent are flowing into this China's second-largest island after Taiwan to set up Sino-foreign joint ventures, co-operative enterprises and enterprises with sole foreign investment.

According to statistics, over the past two years the province has approved 816 such enterprises worth contractual investment totalling 537 million U.S. dollars.

In addition to small overseas companies which took the lead in making investment in the island, large companies are showing more interest nowadays. The sources of investment have expanded from only Hong Kong and Macao regions to 15 countries including Canada, the United States, Japan, Thailand and Singapore.

The official noted that the proportion of enterprises with sole foreign investment went up from 17 percent in 1988 to 44 percent last year, indicating foreign investors' increasing confidence in Hainan.

According to statistics, 36 percent of the foreign-funded enterprises set up last year were manufacturing or other production units, up 16 percent over the previous year, and 16 of them each have an investment of three million U.S. dollars.

Included is the Hainan Natural Corundum Factory Jewellery Co. Ltd., which processes sapphire with advanced technology. It exported one million U.S. dollars-worth of its products to Hong Kong, the United States, Japan and the Federal Republic of Germany last year.

Also last year, these foreign-funded enterprises exported 19 million U.S. dollars-worth of goods.

According to the official, Hainan has 3,340 enterprises run by other parts of the country, with agreed investment totalling 5.3 billion yuan.

Moreover, co-operation between Hainan and the interior has greatly helped improve the island's technology, update its equipment and promote its general economy.

According to him, Hainan is being developed following an overall plan.

According to the plan, the island will set up seven development zones, and infrastructural work has already begun.

Although the island has made progress in importing advanced foreign technology and co-operating with the interior, the official noted, this is only a start.

He noted that Hainan plans to catch up with the standard of the average national economic development stage in three to five years by further opening to the outside world while improving its investment conditions.

**Hainan Marks 40th Anniversary of Liberation***HK0205045190 Haikou Hainan Provincial Service  
in Mandarin 2200 GMT 30 Apr 90*

[Excerpts] The provincial party committee and government held a grand rally to celebrate the 40th anniversary of the liberation of Hainan at the provincial party committee auditorium this morning.

The rally was attended by 1300 people, including retired local army cadres who have made appreciable contributions to liberation and construction in Hainan; cadres and workers from urban and provincial government organs in Haikou City; and army officers and men stationed on the island.

Also present at the rally and seated on the rostrum were leaders from the provincial party committee, provincial people's congress, provincial government, provincial committee of the Chinese People's Political Consultative Conference, and the provincial discipline inspection committee. Among those attending were: Xu Shijie; Liu Jianfeng; Yao Wenxu; Bao Keming; Miao Enlu; Wang Yuefeng; Wei Zefang; Li Zhimin; Pan Qiongxiong; (Chao Wenfa); Zheng Zhang; Lin Ying; Wu Kuiguang; Meng Qingping; (Chen Shuhou); Chen Kegong; Zhang Jintao; Hu Kai; Zhou Song; Li Mingtian; Lin Hongzao; Chen Hong; Zou Erkang; Li Tianxiang, chief procurator of the provincial people's procuratorate; leaders from the People's Liberation Army [PLA] Hainan Provincial Command, including Pang Weiqiang, Gong Pingqiu, (Ding Yirou), (Liu Hesheng), (Zhou Chuantong); and others.

Liu Jianfeng, deputy secretary of the provincial party committee presided over the meeting. [passage omitted]

Xu Shijie gave a speech at the meeting. He said: Forty years ago, the PLA, with the assistance of the local Qiongya Column and [words indistinct] liberated China's second biggest island, Hainan. During the last 40 years since the island was liberated, particularly in the last decade since we introduced the policy of reform and opening to the outside world, the province has undergone a profound change. Today, as we celebrate the 40th anniversary of the liberation of Hainan, we cherish in unforgettable affection the memory of: Revolutionary



martyrs who gave their lives for the cause of the liberation of Hainan; veteran fighters of [words indistinct] headed by Feng Baiju; deceased patriotic Overseas Chinese, members of democratic parties, and people without party affiliation who contributed to the liberation of Hainan; and the memory of deceased leaders on various fronts who made contributions to the construction and development of Hainan. We gather here to express our determination to carry forward the glorious revolutionary tradition and carry out the behests of the revolutionary martyrs. We will, under the leadership of the party Central Committee and the State Council, [words indistinct] unite as one, make great achievements in various fields, and carry the socialist cause to the end. Hainan has now been liberated for 40 years and we can say with pride that Hainan, under the leadership of the CPC, has undergone and is experiencing great and historic change. We should realize that this great and historic change has brought hopes and opportunities to the people of Hainan Island. We should pluck up our courage and seize the opportunities to accelerate the process of this historic development. During this period we should rid ourselves of various malpractices of breaking away from the masses, work hard to improve the party's work style, make relations between the party and the masses closer, and strengthen the party's cohesive power and fighting capacity. It is necessary to unite with all forces that can be united and work hard together with them in our effort to constantly make new achievements in laying a solid foundation for the extraordinary special economic zone and carry out the various policies to the letter.

Pang Weiqiang, commander of the PLA Hainan Provincial Command, and (Ma Huaishan), veteran cadre and former deputy commander of the provincial command, also gave speeches at the rally.

Pang Weiqiang called on officers and men stationed on the island to learn from the old generation of revolutionaries of the Qiongya Column their firm conviction about communism and their tenacity, and work hard to cultivate a new generation of fighters who are politically reliable and professionally competent, to improve their fighting capacity in an all-round way. [passage omitted]

### Henan Urges Strengthening Ties With People

HK0905072790 Zhengzhou Henan Provincial Service  
in Mandarin 2200 GMT 7 May 90

[Excerpt] The 11th Enlarged Plenary Session of the Fourth CPC Henan Provincial Committee closed in Zhengzhou on the afternoon of 7 May.

The three-day-long session seriously discussed how to implement in a deepgoing way the spirit of the Sixth Plenary Session of the 13th CPC Central Committee, and examined and approved the opinions of the provincial party committee on the implementation of the opinions of the CPC Central Committee on strengthening the ties between the party and the masses of the

people, and the decision by the provincial party committee on studying in depth the spirit of Jiao Yulu.

Provincial party committee secretary Hou Zongbin emphasized in his speech: Party organizations at different levels should pay attention to guiding party-member cadres to relate the study to historical lessons, the nature and fighting career of our party and the changed situation, both at home and abroad, and help them to understand the importance and urgency of strengthening the flesh-and-blood bonds between the party and the people. At the same time, party-member cadres were also urged to closely relate the study to their thinking and work, measure themselves by the requirements set in the opinions of the provincial party committee on the implementation of the opinions of the CPC Central Committee on strengthening the ties between the party and the people, seriously make criticism and self-criticism, put forth ideas of correcting errors and improving the work style and be as good as their word. Leading organs and leadership cadres at different levels should take the lead in deepening their understanding, firmly cherish the mass viewpoint and voluntarily implement in all areas of our work the basic working line of doing everything for the masses, doing everything by relying on the masses, coming from the masses and going to the masses as an effort to realize the party's ideological, political and organizational line. Leading comrades at different levels should also take initiative in carrying forward the hard-working style, make efforts to build an honest and clean government, share weal and woe with the people of the province, strengthen their confidence, give full rein to their energies and improve the party's work style with deeds.

Comrade Hou Zongbin pointed out: To strengthen the ties between the party and the people, we must start with doing more actual deeds for the people. In line with actual conditions in our province, the provincial party committee suggested several things that our province should do now and in the future in its opinions on the implementation of the opinions of the CPC Central Committee on strengthening the ties between the party and the people, namely, do a good job of services in rural areas, make efforts to help the masses overcome their difficulties in buying and selling, care for the needy and combat natural disasters, and pay attention to enterprises whose production has been suspended or partially suspended as well as their worker's lives. The province should also work on the problems of collecting fees arbitrarily, unjustified financial levies and wantonly imposing fines, and the issue of social security. All the problems are directly related to matters of prime importance such as the expansion of production and the people's lives. All localities and departments should seriously discuss them and do well what is related to them. [passage omitted]



**Jiang's Speech Inspires Henan Intellectuals***HK0905074990 Zhengzhou Henan Provincial Service  
in Mandarin 2200 GMT 7 May 90*

[Excerpts] The speech made by General Secretary Jiang Zemin at a report meeting in celebration of the 4 May Movement in the capital of the country has inspired scientific and technical personnel of our province.

At a forum yesterday, Engineer (Shang Shuan) from the Zhengzhou Light Industry Institute said that the speech made by General Secretary Jiang Zemin has become a hot topic among teachers of our institutes over the past few days. They noted that the speech touched their hearts and pointed out a clear direction to them and that now they feel they have a grave responsibility. He continued: Intellectuals play an important role in maintaining long-term political stability in our country. Only when intellectuals understand well the party's policies and advance along the course charted by the party will they be able to push the building of both socialist material and spiritual civilizations in our country to greater successes. [passage omitted]

Scientific and technical personnel present at the forum declared their determination one after another that they would continue to work hard to create more achievements and certainly live up to the ardent expectations of the party and people.

**Hubei Holds Seventh Enlarged Plenary Session***HK0805040990 Wuhan Hubei Provincial Service  
in Mandarin 1130 GMT 7 May 90*

[Excerpts] The Seventh Enlarged Plenary Session of the Hubei Provincial People's Government was held in Wuchang this morning.

The meeting is aimed at making arrangements for accomplishing various tasks put forward in the "Work Report of the Hubei Provincial People's Government."

The meeting demanded that government departments at all levels take immediate action to carry out all types work in a down-to-earth manner and work hard to successfully accomplish all tasks put forward in the "Work Report", and consolidate the fine political situation of stability and unity.

The meeting was presided over by Xu Penghang, vice governor of Hubei Province.

Guo Shuyan, governor of Hubei Province, delivered a speech at the meeting.

In his speech, Comrade Gui Shuyan mainly dwelt on the following three questions: 1) The "Work Report of the Hubei Provincial People's Government" is the guideline for the work of Hubei in 1990. The people's governments and government departments at all levels must implement the "Work Report" in a down-to-earth manner; 2) To accomplish all tasks put forward by the "Work Report" step by step and in a planned way; 3) To

practically improve ideological style and work style and ensure the successful accomplishment of all the nine major tasks put forward by the "Work Report" for this year. [passage omitted]

With regard to the implementation of the "Work Report," Comrade Guo Shuyan laid stress on the following four points: 1) To waste no time in accomplishing several urgent tasks at present, make preparations for preventing and combating floods, ensure a good harvest of summer grain and oil crops, increase cotton growing area, improve marketing of industrial products, clear up triangle debts, and invigorate fund circulation; 2) To formulate specific plans aimed at readjusting industrial structure and product mix, carry out campaign aimed at "Double Increase, Double Economy," encourage staff and workers to put forward proposals on improving production, and implement policies aimed at applying science and technology to enterprises; 3) To improve and develop double-operation structure in the rural areas, formulate administrative rules and regulations on levying charges, fines, and apportionments, streamline institutions, check staff expansion, and strengthen the building of power organs and organizations at the grassroots level in the rural areas; 4) To conscientiously carry out investigations and research so as to solve problems concerning funds, science, and technology.

Comrade Guo Shuyan pointed out that the functionaries of the people's government organs at all levels, especially the leading cadres, must adhere to the mass line, overcome bureaucratism, subjectivism, formalism, and selfish departmentalism, improve work style, wholeheartedly serve the broad masses of the people, practically and efficiently carry out all types of work, lead the people of Hubei to comprehensively and successfully accomplish all the nine tasks put forward by the "Work Report."

Comrade Guo Shuyan demanded that various departments of the Hubei Provincial People's Government fully play their respective roles, strengthen cooperation and coordination with one another, serve the grassroots level, and help the grassroots level solve problems. [passage omitted]

**Hubei Acting Governor Delivers Work Report***HK0105130990 Wuhan Hubei Provincial Service  
in Mandarin 1130 GMT 28 Apr 90*

[Text] In his "Government Work Report," Guo Shuyan, acting governor of Hubei Province, pointed out that redoubled efforts must be made to promote the building of the socialist spiritual civilization, and the building of the socialist democracy and legal system.

Comrade Guo Shuyan said that the people's governments at all levels in Hubei must adopt a clear-cut stand in opposing bourgeois liberalization, greatly strengthen ideological and political work, resolutely and persistently carry out education on adhering to the four cardinal principles and opposing bourgeois liberalization among

the people, especially the young people, extensively carry out education on patriotism, collectivism, socialism, and communism, on building up the country through thrift and hard work, on current domestic and international situations, and on national defense, ideals, and professional morality. Theory, culture, news, publication, radio, and television departments must implement to the letter the principle of "letting a hundred flowers blossom and a hundred schools of thought contend" and must aim at achieving the maximum social results, developing the national and modern cultures, and creating more and better cultural products so as to enrich the spiritual and cultural life of the broad masses of the people, and further the struggle aimed at eliminating pornography in depth and breadth, and purify the social environment.

Comrade Guo Shuyan pointed out that Hubei's public health work must adhere to the principle of putting prevention first, further deepen medical reform, improve work style of medical personnel, develop the "Bethune Spirit," improve medical service in the rural areas, and implement and perfect the cooperative medical service system. The people governments at all levels in Hubei must make full use of the provincial people's government's appropriations to further develop medical undertakings and further develop the mass sports activities during the Asian Games period.

Comrade Guo Shuyan demanded that while deepening the reform of the political structure, the people's governments at all levels in Hubei must further promote the building of the socialist democracy and legal system, consolidate and develop the fine political situation of stability and unity, conscientiously implement all the resolutions adopted by the people's congresses and their standing committees at all levels, consciously accept the supervision of the people's congresses and their standing committees at all levels, truly report their work to the people's congresses and their standing committees at all levels, attach great importance to and fully develop the important role played by the CPPCC committees at all levels regarding democratic supervision and political consultation, forge closer ties with various democratic parties and people's organizations, and continue to strengthen the existing legal system and popularize legal knowledge among people with a view to enabling all the citizens to abide by the law and disciplines.

Comrade Guo Shuyan pointed out that while greatly developing the socialist democracy and legal system, it is necessary to strengthen people's democratic dictatorship, rectify social order, and maintain social stability. The people's governments at all levels in Hubei must warmly support the reform and construction of the People's Liberation Army (PLA) troops stationed in Hubei, take the initiative in helping the PLA troops solve problems, resolutely implement the CPC's nationality and religious policies, and strengthen nationality work and religious work.

Comrade Guo Shuyan stressed that the people's governments at all levels in Hubei must steadfastly promote the

building of a clean government, oppose and eliminate corrupt phenomena, strengthen the existing flesh-and-blood relationship with the people, and practically improve work style. At present, efforts must mainly be directed to the following aspects of work: 1) To carry out a province-wide examination of the work aimed at building a clean government, publish the examination results, and accept the supervision of the masses; 2) To concentrate efforts on cracking a batch of major and serious cases of corruption involving leading organs and leading cadres at all levels and severely deal with cases which have caused strong resentment among the masses; 3) Economic management and supervision departments and departments in charge of public utilities must step up their work aimed at building a clean government and put an end to all types of malpractices.

Comrade Guo Shuyan said that the people's governments at all levels must conscientiously study and implement "Decision of the CPC Central Committee on Forging Closer Ties between the CPC and the People" and improve both ideological style and work style. Cadres at and above provincial department level must stay for at least three months at the grassroots level each year so as to carry out investigations and research. The people's governments at all levels must adhere to the principle of working in a down-to-earth manner, with high efficiency, and in a modest way, must resolutely overcome bureaucratism, subjectivism, formalism, and selfish departmentalism, and must streamline administrative institutions, strengthen cooperation and coordination, take account of overall interests, and timely carry out administrative orders.

### Hubei Governor Meets Foreign Correspondents

HK0905064790 Wuhan Hubei Provincial Service  
in Mandarin 1130 GMT 8 May 90

[Text] On the evening of 6 May, Guo Shuyan, governor of Hubei Province, met in Wuhan's Qinchuan Hotel with a group of 19 Beijing-based foreign correspondents who are currently visiting Hubei and answered questions raised by those foreign correspondents.

The visit of foreign correspondents was organized by the Chinese Ministry of Foreign Affairs.

The following is the recorded interview:

Foreign Correspondent: "Since all of China is currently slowing down economic construction, what is Hubei planning to do in this regard?"

Hubei Governor: "As you know, this year, China's campaign aimed at improving the economic environment, rectifying the economic order, and deepening the reform has entered a crucial stage. Over the past few years, due to investment expansion and consumption fund expansion, China has been plagued by a continuous soaring inflation. It was under such circumstances that China decided to carry out the campaign aimed at improving the economic environment and rectifying the

economic order. Now our Hubei Province has achieved initial results in this campaign. Specifically, we have successfully compressed our investment in fixed assets by 25 percent and our consumption fund by 11-13 percent. Hubei's industrial development has also been slowed down with her annual industrial growth rate dropping from 10 percent in the past to 6.6 percent at present. Despite these achievements, new problems, such as market weakness, overstocking of products, and closedown of enterprises, have sprung up. As a result, Hubei's industrial development speed has dropped rapidly over the past year. In the first quarter of this year, we did not suffer any losses, but only managed to increase our provincial industrial output value by 0.4 percent. Our principle at present is to slow down the too rapid development and maintain an appropriate growth. Therefore, at present, we must make every possible endeavor to enable our provincial industrial production to pick up. The Third Plenary Session of the Seventh Hubei Provincial People's Congress has recently concluded. On behalf of the Hubei Provincial People's Government, I delivered "Work Report of the Hubei Provincial People's Government" at the session. The "Work Report" put forth nine tasks, two-thirds of which are concerned with overcoming current difficulties, such as market weakness, lack of funds, and recovering industrial development speed. This year, we will try to increase our provincial industrial output value by 6 percent and our provincial agricultural output value by 12 percent."

Foreign correspondent: "Recently, the Beijing government has given a lot of aid and support to Shanghai, Hainan, and other coastal cities to promote their development. Do you think that the Beijing government has given sufficient aid and support to the hinterland provinces and regions like Hubei?"

Hubei Governor: "Our country's opening-up strategy is to develop coastal areas first and the hinterland areas later. Since Hubei is situated in the hinterland, the central government has not given priority support to Hubei in terms of financial aid. Nevertheless, over the past few years, under the guidance of the state policies of opening up to the outside world, Hubei has made much progress in opening up to the outside world. Over the past few years, Hubei has invited foreign funds totaling more than \$400 million and set up more than 200 Sino-foreign joint ventures, most of which have gone into operation and produced excellent economic results. We both envy and admire the coastal areas. Just before this interview started, I had had talks with Zhao Baojiang, mayor of our Wuhan City, on how to win more aid and support from the central government. We want to turn our Wuhan City and our other cities along the Changjiang into an open and development zone. In order to achieve this goal, we have to apply to the higher authorities for approval. I believe that the central government is very likely to give us more aid and support in the near future."

Foreign correspondent: "After being appointed governor of Hubei Province, what tasks have the leaders of the central authorities in Beijing given you? What work do you want to accomplish as governor of Hubei?"

Hubei governor: "As you know, before coming here, I had worked in the Beijing-based State Science and Technology Commission, which is under the State Council, for many years. The purpose of transferring me to Hubei, in my opinion, is to let me know more about the situation at the grass-roots level. The main task given to me by the central authorities is to unite all the cadres and people in Hubei to push ahead with Hubei's economic construction and modernization construction."

Foreign correspondent: "I have heard a report that China's unemployment rate is rising. How about the situation in Hubei? What measures has the Hubei Provincial People's Government adopted to tackle the problem?"

Hubei governor: "Hubei's unemployment rate stands at 2-3 percent at present. The unemployed people include those who are waiting for jobs and those who have failed in their college entrance examinations and have not found jobs. We have studied this problem and adopted several measures aimed at tackling this problem. We have sent back some peasant workers to their original rural areas, carried out pre-employment training among unemployed people with a view to enabling them to acquire certain skills and techniques, and organized unemployed people to develop tertiary industry with a view to creating more jobs. As you know, China's tertiary industry is still rather weak. We want to do something to speed up its development."

Foreign Correspondent: "The Central Government is currently making great efforts to eliminate corruption. What does Hubei plan to do in this regard?"

Hubei Governor: "To eliminate corruption is, in our words, to build a clean government, which is one of our important tasks at present. The central authorities has formulated seven measures aimed at building a clean government. Our Hubei Province has also formulated nine measures in this regard. Although we have solved a multiplicity of problems in this regard, we should still make persistent efforts to promote the work at present. We will concentrate our efforts on solving the problem of government officials holding concurrent posts in various types of companies. Now it can be said that we have already won a decisive victory in this regard. In the past, some 15,000 government officials held concurrent posts in various types of companies. Now these cadres have already relinquished their posts in those companies. We have also conscientiously investigated and dealt with corrupt officials and punished a number of corrupt elements within our government. Last year, we cracked a total of 5,000 corruption cases, which were in fact exposed and reported to us by the masses. Now we have already dealt with some 4,000 of those cases. We have



punished and disciplined seven corrupt cadres at provincial department or bureau levels, more than 400 cadres at city or county levels, and more than 100 cadres at various levels. We have also turned over a number of corrupt cadres to the judicial organs at various levels for punishment. Another important problem is that some of our cadres, especially cadres in the rural areas, have built private houses for themselves by paying little money or no money at all. We have already unfolded an earnest campaign aimed at putting an end to such practice and have achieved marked results in this regard. The campaign is still going on at present."

### Hunan Elects New Vice Governors

OW2904152290 Beijing XINHUA in English  
1335 GMT 29 Apr 90

[Text] Changsha, April 29 (XINHUA)—Two new vice governors were elected today in central China's Hunan Province at the third session of the seventh provincial people's congress.

Wang Xiaofeng, 46, was formerly director of the provincial Planning Commission and secretary of the commission's Communist Party leading group.

Chen Binfan, 57, was formerly vice governor of Fujian Province, deputy general manager of the China International Trust and Investment Corporation, and president and general manager of a Zhejiang Province company based in Hong Kong.

### Hunan Deputy Secretary on Party Building

HK0905145490 Changsha Hunan Provincial Service  
in Mandarin 2200 GMT 7 May 90

["Speech by provincial party committee Deputy Secretary Sun Wensheng at Ceremony Marking Inauguration of New Hunan Radio Program Called 'Party Building Around the Xiang River'"—recorded]

[Excerpts] The special program "Party Building Around the Xiang River" is inaugurated today. We believe the program will play a positive role in strengthening party building throughout the province. Strengthening party building suits the needs of adhering to and improving the party's leadership. As Comrade Deng Xiaoping said recently: Whether or not the Communist Party is qualified to exercise leadership is determined by yourselves. The standing of our leadership, the status quo of our contingent, and the situation we are facing both at home and abroad, all require us to take practical measures to strengthen party building. Our party is standing the test of holding office and working for reform and the opening up policy. The international hostile forces have openly directed the peaceful evolution strategy at us and rampant bourgeois liberalization has caused serious destruction. The strengthening of party building can make party members purer and more clever and increase their cohesiveness and fighting capacity. Only by so doing will they be able to deal with any sort of emergency, avoid or

minimize errors and losses, and better undertake the task of leading reform, opening up, and socialist modernization.

In strengthening party building in the new historical period, it is essential to maintain and develop the flesh-and-blood ties between the party and the masses. In this connection, the Sixth Plenary Session of the 13th CPC Central Committee summed up historical experience from the high plane of the nature of the party and in light of some problems now existing in the party, raised before the whole party the importance of the party constantly maintaining close ties with the masses, and adopted a decision enjoying immense popular support on strengthening the ties between the party and the people. We will surely implement the decision earnestly. [passage omitted]

To this end, party-member cadres should set an example and take the lead in going to places where many difficulties need to be conquered to help local people clear away difficulties. They must alleviate grievances, sum up experience, and open up new prospects. They should make sincere efforts to be willing pupils of the masses, earnestly discharge their duty, take the initiative in observing the regulations governing the system of ensuring clean and honest government, and honestly strive to be public servants of the masses. Meanwhile, to implement the decision by the central authorities, it is essential to establish and perfect different systems of maintaining close ties with the masses and to seriously carry them out. [passage omitted]

At the same time, it is necessary to establish and perfect some systems which ensure supervision within and without the party, and supervision between the higher level and the lower level, to truly guarantee that the spirit of the central decision will be turned into actions by party members throughout the province, particularly party-member leading cadres. [passage omitted]

At present, maintaining political and social stability throughout the province and ensuring a sustained and coordinated economic development are the cherished desires of the people throughout the province and that is where their basic interests lie. We should do our utmost to maintain political stability throughout the province and make vigorous efforts to step up development of the province's reform and economic construction.

### Hunan Intellectuals Study Jiang's Speech

HK1005072990 Changsha Hunan Provincial Service  
in Mandarin 2200 GMT 7 May 90

[Excerpt] Some youth representatives from the capital of the province gathered under one roof on the morning of 7 May, speaking glowingly of what they think of the speech made by General Secretary Jiang Zemin, at a report meeting in celebration of the 4 May Movement in the capital of the country.

They unanimously pointed out: The speech by Comrade Jiang Zemin has defined how we should inherit and carry forward the tradition of patriotism under the new historical conditions, and helped us get a clear understanding of the historical mission of the intellectuals of our time in socialist modernization, and to understand what is the correct way for the growth of Chinese intellectuals.

Students, named (Liao Li) and (Wang Hui), of the Chinese faculty of Changsha University, said with deep feeling: In his speech, General Secretary Jiang explicitly pointed out that without the participation of intellectuals today, the successes of reform and economic construction would be impossible. This fully affirms the status and value of intellectuals of our generation in social life. We feel deeply that we are charged with important tasks and shoulder heavy responsibilities. Only by working hard for the prosperity of the country and contributing all our intelligence and wisdom to economic construction of the country, will we be able to fulfill the tasks, live up to the expectations, and justify the great trust placed in us. [passage omitted]

### Southwest Region

#### Guizhou Armed Police Forces Hold Meeting

HK0905102990 Guiyang Guizhou Provincial Service in Mandarin 2200 GMT 8 May 90

[Text] Yesterday afternoon, the Guizhou Provincial Armed Police Forces held a meeting to report on the current international and domestic situation. Zhang Yongtang, former chief of staff of the Chinese People's Armed Police Force Headquarters, delivered a report on current international and domestic situation and current tasks to nearly 500 armed police officers stationed in the Guiyang area.

Comrade Zhang Yongtang recently arrived in Guizhou to inspect the work of the Guizhou Provincial Armed Police Forces.

At yesterday's report meeting, by referring to a multitude of historical and realistic facts, Comrade Zhang Yongtang analyzed the current international struggle as well as the current political, economic, and social situation in China.

Comrade Zhang Yongtang emphatically pointed out that China's political, economic, and social situation has remained stable to date. However, both the international and domestic struggles have intensified over the past few months. China is currently facing and undertaking a struggle against infiltration, subversion, and peaceful evolution. In this struggle, all the armed police forces must further strengthen their own political building and carry out extensive education on adhering to the four cardinal principles and the Marxist theories in order to remain politically qualified and reliable forever.

Comrade Zhang Yongtang demanded that the Guizhou Provincial Armed Police Forces maintain a firm political stand under any circumstances, resist ideological corruption, work harder, live a plain life, and make greater contributions to the successful accomplishment of the glorious task of safeguarding the security and stability of the motherland.

#### Chengdu Military Region Personnel Reshuffled

HK0905030190 Hong Kong SOUTH CHINA MORNING POST in English 9 May 90 p 10

[By Willy Wo-lap Lam]

[Text] Beijing has reshuffled the leadership of the strategic Chengdu Military Region as part of continuing personnel changes in the nation's seven military regions, Chinese sources said yesterday.

The commander, Lieutenant General Fu Quan-you, has been replaced by one of his four deputies, Lieutenant General Zhang Taiheng.

The sources said that, consistent with the pattern of rewarding officers who have displayed loyalty to the Communist Party since the crushing of the democracy movement last year, General Fu will be given either the command of a major military region near Beijing or a top slot at the People's Liberation Army (PLA) headquarters.

The Chengdu Military Region, which covers the provinces of Sichuan, Guizhou, Yunnan and Tibet, is one of the most strategic because it borders Vietnam and India, with whom China have engaged in armed conflict.

Analysts say that General Fu, 60, is popular in party circles because of the success with which his command has reimposed order in Tibet and handled border relations with Vietnam.

Moreover, the general is said to enjoy the trust of senior leader Mr Deng Xiaoping and the President, Mr Yang Shangkun, the First Vice-chairman of the policy-setting Central Military Commission (CMC).

A native of Shanxi province, General Fu joined the PLA in 1946 and rose to become battalion commander during the Korean War. He graduated from the PLA Higher Military Academy in 1960.

In the mid-1980s, General Fu was briefly involved in the "armed struggle" against the Vietnamese.

The new commander, General Zhang, 59, is a native of Shandong province who joined the PLA in 1945.

General Zhang, who had worked in the Beijing Military Region, has been with the Chengdu region since 1985.

In another development, General Wan Haifeng, Political Commissar of the Chengdu region, has been replaced by Major General Gu Shanqing, Deputy Political Commissar of the Guangzhou Military Region.

It is believed that General Wan, 70, who was a divisional deputy commander during the Korean War, is retiring.

Meanwhile, more details have emerged on the new commander of the Guangzhou Military Region, Mr Zhu Dunfa.

Mr Zhu, 63, Deputy Commander of the Shenyang Military Region who succeeded General Zhang Wannian, holds the rank of lieutenant-general.

General Zhu personally led troops from the Shenyang region to Beijing to help impose martial law in the capital. He was a ranking member at the Martial Law Administration, which was not dissolved until martial law was revoked in January.

Chinese sources said the new line-up of the seven regions was drawn up by General Yang Baibing, the CMC Secretary-General.

"General Yang put together two versions of the personnel changes, one of which was accepted by Deng Xiaoping," one source said.

#### **People Welcome Lifting of Lhasa Martial Law**

*OW0405141690 Beijing in English to East and South Africa 1700 GMT 3 May 90*

[Report by station correspondent (Xu Huazhen)]

[Text] Tibetans have welcomed the lifting of martial law in the city of Lhasa. The Chinese Government decided to put the order into effect on International Labor Day on Tuesday. Radio Beijing's (Xu Huazhen) has this report:

Business was as usual in the Tibetan capital of Lhasa. The XINHUA NEWS AGENCY reports that the atmosphere of the city is calm since martial law was lifted on 1 May. Tibetans were going about their daily schedules working and shopping. During the evenings, many Buddhists took part in their customary rituals of chanting sutras, burning incense, and worshipping at the temples. The Chinese Government imposed the martial law in Lhasa more than a year ago, following continuous riots by a small group of separatists. But on Monday, Premier Li Peng ordered the law to be lifted. The order said that the situation in Lhasa had become stable and the enforcement of the martial law had been successfully fulfilled.

As the martial law troops left the area, the local people presented gifts of liquor and traditional buttered pea to the soldiers. XINHUA NEWS AGENCY reports that the troops were also given hata, a kind of silk scarf traditionally presented as a token of respect. One Tibetan woman (Damsim) told XINHUA that the troops had done many good things for the people. She said: They helped clean the environment, repaired bicycles, gave haircuts, and visited patients in the hospital. Another Tibetan, 79-year-old (Nagawang) lived on the Bargor Street, the main street in Lhasa. He presented dozens of silk scarfs to

soldiers before they left. He told XINHUA that he has seen both the old and new style of soldiers and this contrast has helped him understand that only the People's Liberation Army can help the country overcome its problems.

Vice Chairman of the Regional People's Political Consultative Conference Jimzhong Gyaincain Puncog said: During the unrest last year Tibetans felt that the society was not stable, but after the troops carried out the martial law, the people felt secured. According to the PEOPLE'S DAILY, the country's leading newspaper, the region has had good economic developments since martial law was imposed. For example, the region harvested a record grain output of 530,000 metric tons, the highest in Tibetan history. In the meantime, work on capital construction projects continued in the past year including a number of energy, communications, agricultural, and religious projects. A special contribution of 35 million yuan from the central government is going towards the renovation of Potala Palace, the most famous tourist spot in Lhasa. The newspaper said that with the area's economic successes, the standard of living of Tibetans has improved. The average per-capita annual income of the regime's farmers and herdsmen reached nearly 400 yuan, about twice as much as the state-designated poverty line. The PEOPLE'S DAILY reports that the local residents hope that now the government has lifted martial law, the stable situation will remain. They told the newspaper that they want to continue to develop the local economy and prevent any more disturbances.

#### **Dalai Lama 'Accused' of Blocking Talks**

*HK0905021890 Hong Kong SOUTH CHINA MORNING POST in English 9 May 90 p 6*

[By Fan Cheuk-wan]

[Text] China yesterday accused the Dalai Lama, the exiled Tibetan spiritual leader, of "closing the door" on long-awaited negotiations.

The Dalai Lama was blamed of cutting official contacts with the Chinese government, including those through Chinese embassies abroad, and refusing to send representatives to the mainland since last March.

Ren Yinong, deputy director of the Department of Culture and Publicity of the State nationalities Affairs Commission, said yesterday the deadlock in negotiations had been created by the spiritual leader.

"There will not be any progress in the proposed talks with the existing unfriendly attitude of the Dalai Lama," he said.

Mr Ren said the lifting of martial law in Lhasa last week did not necessarily mean talks would progress.

"The existence of a favourable negotiation atmosphere largely depends on the attitude and actions of the Dalai Lama," he said.



"At least, he should take the initiative to resume contacts with the central government.

"Since 1979, the Dalai Lama has sent his personal representatives to Beijing ... to liaise with the central government. But he has closed the door on negotiations himself by cutting all these healthy contacts after the imposition of martial law in Lhasa last March," said Mr Ren.

China first offered to hold talks with the Dalai Lama to settle the political future of Tibet in September 1988. But the bloody anti-Chinese riotings in Lhasa last March and the imposition of martial law seriously hindered the progress of talks.

"His recent public speeches are harmful to the reunification of the motherland and the well being of the central government," he said.

Mr Ren said the Dalai Lama should openly declare his support for the "unity of the motherland" and denounce independence for Tibet.

"We have shown our respect to the Dalai Lama for his high reputation as a spiritual leader for the Tibetan compatriots, but he has not stopped making offensive propaganda against the central government," he said.

"The central government has upheld an open attitude towards the talks with the Dalai Lama and we have never changed our eagerness to hold negotiations."

Mr Ren affirmed that China could not accept the Dalai Lama's Strasbourg proposal, which called for a high degree of autonomy for Tibet with Beijing controlling diplomatic affairs and defence.

The Dalai Lama has insisted that the Strasbourg proposal was the "only reasonable basis" for negotiations with the Chinese government.

"We insisted that any proposal for independence, semi-independence or de facto independence of Tibet will never be accepted by the central government," said Mr Ren.

Meanwhile, the Chinese authorities in Tibet have announced that foreigners wanting to visit the region would be required to apply in advance, the XINHUA News Agency said.

#### **State Council Group Views Tibet Disaster Areas**

*OW0505060790 Lhasa Tibet Television Network in Mandarin 1200 GMT 2 May 90*

[From the "Tibet News" program]

[Text] [Video shows wide shots of three jeeps travelling along water-logged mountain road, officials shaking hands with herdsmen, and animal carcasses scattered in the wild] A snowstorm, the worst in 60 years, in northern Tibet has caused serious losses to local herdsmen in both production and livelihood. Since the disaster, the party

Central Committee, the State Council, and the Central Military Commission have been greatly concerned about the people in the snowstorm-stricken areas. From 25 to 30 April, a State Council work group, led by Zhang Dejiang, vice minister of civil affairs, inspected the situation and expressed sympathy and solicitude to the people in the disaster-stricken areas on the northern Tibet Plateau. The group also assisted the Tibet Autonomous Regional Government in controlling the disaster and providing relief to the people.

After arriving in Lhasa, the State Council work group listened to a briefing on the disaster situation. The briefing was presided over by Hu Jintao, secretary of the autonomous regional party committee. The group then visited the forefront of the disaster-stricken areas at elevations ranging from 4,500 to 5,000 meters. The group was accompanied by Raidi, deputy secretary of the autonomous regional CPC Committee, and Gong Daxi, vice chairman of the autonomous regional people's government. Covering more than 3,000 km, the group inspected the severely afflicted counties in Nagu Prefecture—Baqen, Sogxian, Lhari, Biru, and Nagu—and 12 townships and 16 villages there. The inspectors called on 130 families and expressed their sympathy and solicitude to some 700 herdsmen.

(Chai Wangda), an old herdsman, has 12 family members making a living from raising livestock. They used to have more than 200 head of cattle and sheep. Only 40 head survived the snowstorm, and some are dying. In desperation, they received government relief food, tea, and fuel, and they were rescued from starvation. When they saw the State Council inspectors, they could not hold back their tears.

To help the people during the extraordinary snowstorm, the party and government, after overcoming numerous difficulties, delivered a large quantity of relief materials by land and air. So far, no one has starved or frozen to death in the disaster-stricken areas. During the inspection, Zhang Dejiang fully approved of the work done by the party committees and governments at all levels, the People's Liberation Army units, the armed police units, and other organizations concerned in Tibet.

He said: The snowstorm has caused extensive damages, great losses, and many difficulties. However, life in the disaster-stricken areas is stable and the people there are in high spirits owing to the joint efforts made by the broad masses of cadres and people. Our cadres at various levels have truly served the people wholeheartedly in times of difficulties.

Zhang Dejiang urged the people in the disaster-stricken areas to strengthen their confidence, combat the snowstorm in self-reliance, and rebuild their homes with state support. He also urged them to further sum up lessons; have a sense of commodity economy; raise livestock scientifically; accelerate the rate of animal delivery to the market for sale; eliminate unfit animals in a reasonable

way; increase capital accumulation; open up more avenues for increasing income; and free themselves from poverty and hardship at an early date.

It is still snowing in the disaster-stricken areas.

### **Tibetan Human Rights Situation Discussed**

OW0505145190 Beijing XINHUA in English  
1351 GMT 5 May 90

[By XINHUA correspondent Mou Fengjing]

[Text] Lhasa, May 5 (XINHUA)—The Dalai Lama made a great fuss about "freedom" and "human rights" in China's Tibet Autonomous Region recently during his tour of several countries.

However, he has not uttered a single word about the serfdom which denied the Tibetan people human rights when he ruled Tibet.

Historical data show that the system of feudal serfdom came into being in Tibet in the mid-14th century and lasted 600 years until 1959, when the democratic reform started here. Under the reign of the Dalai Lamas Tibet was enveloped in feudal darkness.

During those centuries the ruling caste of monks, who accounted for only about five percent of the 1.2 million Tibetan people, owned all the land. The serfs, accounting for over 90 percent of the population, owned no land and had to labor for the feudal lords. Moreover, slaves, accounting for some five percent of the population, had no means of production at all and their persons and all of their labor belonged to the landed aristocracy.

The landowners could sell, mortgage, exchange and transfer serfs and slaves at will. The serfs and slaves said that all they owned were their own shadows, while the serf-owners called them "talking cattle".

In addition to tying the serfs to the land, the feudal lords imposed "three mountains" on their heads—corvee, usury and exorbitant taxes.

Serfs who rented land from the serf-owners were obliged to undertake various types of corvee labor, which accounted for two-thirds of the serfs' labor. The corvee included supplying human and animal labor for all government work projects.

In addition, the serfs had to hand over 70 percent of their harvests as rent to their lords.

Usury often saddled generations of poor Tibetans with huge debts they had no way of paying off; a popular saying went: "When you borrow one dui (12.5 kg) of grain you owe 10,000 dui."

The taxes in Tibet were exceptionally numerous. For example, when a serf gave birth to a baby a birth tax was charged; when a serf was 18 years of age a head tax was levied; when a serf wanted to become a Lama he had to pay a temple entrance tax first; when a serf was to

imprisoned, he had to pay a prison tax; even beggars were taxed. A serf even had to pay a tax for having ears. Otherwise, his ears would be cut off by the serf-owners.

The old Tibet had a penal code to protect the serf-owners and keep the rest of the population in servitude. The seventh provision of the code classified Tibetans into different castes and classes. The lower castes included the serfs and slaves, accounting for some 95 percent of the Tibetan people.

The code provided no protection for the property or life of a lower caste person. They could be arrested or killed at any time or on any excuse.

The code also stipulated that the upper caste, accounting for less than five percent of the population, were sacred and inviolable. Serfs found guilty of infringing on the interests of the serf-owners could have their eyes gouged out, flesh cut from their legs, their tongues cut out or be executed. There were no penalties for crimes committed by the upper class.

The life of an upper caste person was stipulated as being worth his weight in gold, while a serf was said to be worth only as much as a piece of straw rope.

Dojepao, a woman living buddha who returned from India in October 1959, said: "under the system of serfdom in Tibet most people had no human rights; only the serf-owners had rights. We women even had no right to speak."

Pagba, 65, a herdsman from Qamdo county, said, "by no means would we welcome the restoration of the old feudal system."

Sida, a well-off herdsman in Nagqu county, said, "the old system was imposed on us by the serf-owners. We never wanted it."

Therefore, those who wish to bring back the old unjust system should not bleat about "restoration of freedom and human rights in Tibet".

### **Yunnan Soldiers, Policemen Celebrate Youth Day**

HK0905092390 Kunming Yunnan Provincial Service  
in Mandarin 1000 GMT 8 May 90

[Text] On 4 May, more than 2,000 People's Liberation Army [PLA] officers and soldiers and armed policemen and police officers stationed in Kunming took to the street in Kunming City to carry out propaganda activities entitled "Commemorate May 4th Movement, Learn from Lei Feng, Welcome Asian Games, and Make Greater Contributions."

On eight main streets in Kunming City, including Dandong Road, Beijing Road, and Zhenyi Road, the PLA officers and soldiers and the armed policemen and police officers publicized the "Lei Feng Spirit," the "May 4th Movement," and the "Asian Games" through loudspeakers and with pictures, provide medical service to

the local people, repair household electric appliances and bicycles for the local people, and provide consultative services to the local people.

Seeing so many soldiers and policemen busy on the street, a British tourist visiting Kunming could not help asking the passersby what the soldiers and policemen were doing. An officer who spoke fluent English explained to him the activities being carried out on the street. The British tourist said: "Lei Feng belongs to the whole world. It is great for China to advocate learning from Lei Feng."

### North Region

#### Beijing CPPCC Standing Committee Work Report

SK0505150190 Beijing BEIJING RIBAO  
in Chinese 23 Mar 90 p 2

["Excerpts" of report on the 1989 work of the Standing Committee of the Seventh Beijing Municipal Committee of the Chinese People's Political Consultative Conference (CPPCC) given by Sun Fuling, vice chairman of the municipal CPPCC Committee, at the Third Session of the Seventh Municipal CPPCC Committee on 26 February 1990]

[Excerpts]

#### 1. We Strove To Defend the Social Stability of the Capital Under the Leadership of the Beijing Municipal CPC Committee

A turmoil and counterrevolutionary rebellion occurred in the capital as spring turned to summer last year. On 28 April, Standing Committee members earnestly studied the RENMIN RIBAO editorial "We Should Take a Clear-Cut Stand Against Turmoil" at the 11th Standing Committee meeting. They clarified the nature of the turmoil, and held that it was necessary to fully understand the patriotic enthusiasm of the masses of young students but it was also necessary to remind them of the handful of bad persons with hidden intentions who were engaged in instigation and sabotage, and to educate them to strictly abide by laws and discipline. They called on the government to adopt measures to check the turmoil and restore the normal order as soon as possible. During that period, the Standing Committee held various meetings to relay the opinions of the CPC Central Committee and the Beijing municipal party committee, maintained contracts with its members through numerous measures, briefed them on the situation in a timely manner, extensively listened to their opinions, and adhered to the correct political orientation in the complicated situation.

Faced with the rigorous political situation, CPPCC members displayed their determination to work in unison with the CPC and share weal and woe with it. Some members held that they agreed with the endeavor to oppose corruption and bureaucracy, but would never allow people to take advantage of this endeavor to subvert socialism. During the turmoil and rebellion,

personages of democratic parties and mass organizations and those without party affiliation who joined the CPPCC maintained unity with the CPC politically, and carried out a great amount of beneficial work. Members from the educational circles overcame difficulties to continue teaching work, and persuaded students to return to schools. Despite the pressure on them, members from the religious circles resisted some people's attempt to take advantage of religion to aggravate social unrest. Members who had overseas contacts wrote to Hong Kong, Macao, and Taiwan compatriots and Overseas Chinese who were their relatives and friends to explain the truth, thus maintaining friendly contacts. Although the social order was seriously undermined, some members overcame difficulties to continue investigations and study, and to discuss and participate in government and state affairs. Many members united with the people around them to stand fast at their work posts, and defend social stability, thus playing a positive role in stabilizing the situation of the capital.

At the critical moment when a handful of bad persons took the students on hunger strike as hostages and stepped up their plot against the party and socialism, an enlarged chairmanship meeting was held on 19 May to analyze and study the complicated situation at that time and, through newspapers and radio stations, called on students to stop their hunger strike, leave the square and receive medical treatment, and called on people of various circles to cherish the young students and engage in "support" no more. The appeal expressed the anxiety of the members from various circles.

After the counterrevolutionary rebellion was suppressed, we organized several report meetings and special study sessions, and conveyed regards to the martial law troops, the officers and men of the armed police forces and the staff members and workers who were holding fast to their posts. On 14 June, we and the United Front Work Department of the Beijing municipal party committee invited responsible persons of democratic parties and mass organizations and personages without party affiliation to a forum to study Comrade Deng Xiaoping's speech given at a meeting with cadres at and above the army level of the martial law troops in the capital, and to relay the arrangements of the Beijing Municipal CPC Committee. People from various circles attending the forum highly praised the commanders and fighters of the Chinese People's Liberation Army and armed police forces, and the masses of public security cadres and policemen who made contributions and rendered meritorious service in the struggle against the counterrevolutionary rebellion. They unanimously approved the government's resolute measures against the extremely small number of conspiratorial elements who plotted and organized the counterrevolutionary rebellion behind the scenes, and the handful of rioters. They also called for a prudent attitude toward the majority of students and masses who were hoodwinked, and called attention to the need to strictly distinguish the two different kinds of contradictions.



On 4 July, participants at the 12th enlarged Standing Committee meeting earnestly studied the documents of the Fourth Plenary Session of the 13th CPC Central Committee and the important speeches of Comrade Deng Xiaoping and leading comrades of the CPC Central Committee, and directly heard a report by Comrade Li Ximing. In line with the reality in their thinking, the members conducted animated discussions, and unanimously expressed their support for the various resolutions of the fourth plenary session of the 13th party Central Committee. The meeting adopted a "Resolution on Implementing the Guidelines of the Fourth Plenary Session of the 13th CPC Central Committee" and, based on the four major tasks put forward by the CPC Central Committee, adjusted our work focuses in a timely manner. In the summer, we also held a reading class for our members, a study session for the office cadres of democratic parties, and a study session for the members with overseas contacts to thoroughly study the guidelines of the fourth plenary session of the party Central Committee. Through these activities, members acquired a clearer understanding of the truth, and achieved unity in their thinking. [passage omitted]

## **2. Focusing on Our Municipality's Endeavor of Improvement, Rectification, and In-Depth Reform, We Conducted Political Consultation and Democratic Supervision**

In the past year, focusing on the endeavor of improvement, rectification, and in-depth reform, we gave full play to the role of various specialized committees, intensified special investigations and study, actively carried out various forms of consultations and supervision, gained more initiative in meeting the demand for "consultation before policymaking," and further improved our levels in discussing and participating in government and state affairs.

We carried out the following major work:

We conducted special investigations and study on the major issues concerning the economic improvement and rectification. Focusing on the important issue of adjustment of industrial production setup and product mix, we organized some members to conduct special investigations and study, which lasted for six months, in order to help the government further implement the state's industrial policy, and facilitate the healthy development of the municipality's economic improvement and rectification. Members heard introductions of situations given by the municipal Planning Commission and 12 relevant bureaus and general companies under the municipal Economic Commission, went to 12 enterprises to conduct field investigations, and held a series of special forums. They affirmed the municipality's initial success in restructuring the industry, and pointed out that the tasks for the restructuring were very arduous, the industrial production setup was very irrational, and the deep, underlying structure of industry still had a series of serious defects. In view of these problems, members put forward a "Report on Investigations on Adjustment of

the Industrial Production Setup and Product Mix of Beijing Municipality." This investigation report drew the attention of the Beijing municipal party committee and government, and was listed as a reference document for the Eighth Plenary Session of the Sixth Beijing Municipal CPC Committee. Attention was given to the opinions of members when drawing up the "Opinions on Implementing the 'CPC Central Committee's Decision on Further Improving the Economic Environment, Rectifying the Economic Order and Deepening Reform' of the Beijing Municipal CPC Committee." [passage omitted]

Members performed their function of democratic supervision in the endeavor to strengthen the legal system and honest performance of official duties. As the work to oppose corruption and strengthen honest performance of duties was one of popular concern, they offered opinions and suggestions to the municipal government on many occasions on strengthening honest performance of duties. When briefing the members on our municipality's struggle to strengthen honest performance of duties and oppose corruption, Municipal Vice Mayor Zhang Jianmin and director of the municipal Supervision Bureau said that the suggestions of the members would be adopted and put into effect in the process to carry out actual work. In line with the unified arrangements of the Beijing Municipal CPC Committee and government, 18 members of this committee who were from democratic parties or who had no party affiliation participated in the two leading groups for the large-scale tax, finance, and price inspections of the municipality, and the screening and reorganization of companies, and supervision work. Three members of them served as deputy leaders of the these two leading groups, and five were invited to serve as special supervisors. This work drew the attention from various quarters, and aroused positive repercussions overseas.

Some members held conscientious discussions and offered opinions on revising the "(draft) PRC Law on Assemblies, Processions, and Demonstrations," the "(draft) PRC Law on Guaranteeing the Rights of Scattered Minority Nationalities," and other state laws and local regulations. Some members participated in the consultations and supervision concerning the work to "wipe out pornography" and "eliminate six vices." Others also carried out work beneficial to eradicating ugly phenomena, advocating the spiritual civilization and defending the good order of the capital by investigating the cultural market, and putting forward opinions and suggestions on rectifying and strengthening management of it. Some members engaged in scientific and technological, medical and public health, and political and legal work conducted special investigations on collective scientific research organs, medical organs and legal advisory organs, and offered opinions and suggestions on improving and rectifying these organs and strengthening management of them according to law. Some of the opinions and suggestions have been adopted by departments concerned. [passage omitted]

### 3. We Should Improve the CPPCC Itself To Meet the Needs in Development of Democracy and Politics

The 13th CPC congress called on the CPPCC to improve its own organization. Last year after hearing a work report of the municipal CPPCC Committee, the Standing Committee of the Beijing Municipal CPC Committee fully affirmed our work, and pointed out that the municipal CPPCC committee should continue to improve the system of political consultation and democratic supervision, raise its level in discussing and participating in government and state affairs, maintain closer ties with the various parties joining the CPPCC and, focusing on strengthening the unity within the patriotic united front and expanding overseas friendly contacts, play a greater role in persisting in and improving the system of multiparty cooperation and political consultation under the Communist Party leadership, promoting the development of socialist democracy and politics, and consolidating and developing the patriotic united front.

To further regularize and institutionalize the system of political consultation and democratic supervision, we consulted the "Provisional Regulations of the National CPPCC Committee on Political Consultation and Democratic Supervision" and, in line with the actual conditions of our municipality, studied and formulated the "Provisional Regulations of the Beijing Municipal CPPCC Committee on Political Consultation and Democratic Supervision" after soliciting opinions from members of various circles and from various fields.

To suit work needs, we made adjustment to turn the original work group committee and 16 work groups into four specialized work committees—the Economic Work Committee, the Urban Construction and Management Work Committee, the Educational, Scientific, Cultural, Health and Sports Work Committee, and the Social and Legal Work Committee—in order to strengthen leadership over work. We established a committee to give guidance to the work of the Institute of Socialism, and trained cadres of democratic parties. [passage omitted]

This year, we should emphasize the work in the following fields.

A. We should intensify study, unify thinking, and strengthen unity.

In the 10 years of reform and opening up, the economy of our country was developed steadily, the living standards of urban and rural people were notably improved, and tremendous achievements were scored in various undertakings. We should fully affirm the achievements and also see the many problems and difficulties in the economy. We should fully understand the seriousness of the current difficulties, clarify the reasons for these difficulties, and enhance our understanding of the importance of the economic improvement and rectification. At present, some major incidents and numerous disturbances have occurred in the world, and the world is

not peaceful. Faced with the complicated contradictions, we should intensify study, and unify our thinking. [passage omitted]

B. We should render great assistance to the party and the government in their endeavor of improvement, rectification, and in-depth reform.

A steady economic development is the foundation for political stability. Based on the Beijing Municipal CPC Committee's opinions on further improving the economic environment, rectifying the economic order and deepening reform, we should select some major areas, conduct investigations and study on them, and actively participate and discuss government and state affairs.

In view of the current phenomena of high input, low output, high consumption, low efficiency and serious waste prevailing in enterprises, we should conduct special investigations on the issue of improving the economic results of enterprises and, seizing the favorable opportunity of the economic improvement and rectification, help the government to raise the managerial level of enterprises so that the quality of enterprises as a whole can be brought up to a new stage.

One of the key factors for agricultural development is reliance on science and technology. In agriculture, we should muster our efforts to conduct special investigations and study on the situation of our municipality's endeavor of "developing agriculture through science and technology," offer suggestions to the party and the government, and play a role of policymaking consultation in formulating the outlines and policy measures for "developing agriculture through science and technology."

We should assist the party and the government to find an effective way to control price hikes and reduce financial subsidies.

C. We should actively promote the municipality's building of spiritual civilization.

The CPPCC shoulders an important responsibility in the efforts to build the spiritual civilization. We should encourage relevant quarters to intensify the education on patriotism and socialism throughout the municipality, carry forward the tradition of self-reliance, plain living, and hard struggle, and learn from the sacrificing spirit of Lei Feng. We should keep track of the progress in the reform of the managerial system of primary and middle schools, conduct investigations of it, and put forward feasible suggestions to comprehensively improve the quality of education. We should assist the party and the government to continue the in-depth struggle to "wipe out pornography" and "eliminate six vices." We should hold discussions and investigations, and actively offer opinions and suggestions to strengthen the protection and management of the cultural relics of the capital and make the literary and art work and publication undertakings flourish.

The 11th Asian Games will be held in Beijing in September this year. It is a magnificent event of the Asian people. Success in the Asian Games has a bearing on the reputation of the capital and the motherland. Therefore, all our members have a responsibility for the success. Taking the Asian Games as a turning point, we should promote the spiritual civilization in the capital, enhance our "sense of the capital," achieve progress in the civility, morality, and sense of respect for laws and discipline of the people of various nationalities throughout the municipality, and improve our service.

D. We should persistently oppose corruption and promote honest performance of official duties.

Anticorruption is an arduous, complicated, and protracted struggle, and we should have a full understanding and firm resolution toward it. We should conscientiously play our role in democratic supervision and, making the best use of the democratic channel of the CPPCC, actively reflect the opinions of our members, the various democratic parties, mass organizations, personages without party affiliation and various quarters, and offer opinions and suggestions to the party and the government on such issues as strengthening education on party and administrative discipline and laws, ensuring the honesty of party and government functionaries, correcting the unhealthy trends and characteristics of certain trades, and handling major and serious cases concerning embezzlement and bribe-taking, speculation, power abuse for selfish gains, extravagance and waste, dereliction of duty, and serious bureaucracy. Members who participate in the finance, tax and price inspections, the screening and reorganization of companies, and the supervision work should continue to maintain close ties with the masses, conscientiously fulfill their responsibilities, and successfully carry out the work assigned to them.

E. We should publicize policies, and strengthen friendly ties overseas.

The tasks for maintaining friendly ties overseas remain very arduous. We should introduce on a regular basis the situations in Taiwan, Hong Kong, Macao, and foreign countries, and continue to give play to the role of the members who have overseas contacts. We should encourage Taiwan compatriots, family members of Taiwan compatriots, returned Overseas Chinese and family members of Overseas Chinese living in Beijing to publicize the state's policies on reform, opening up, and Overseas Chinese affairs, and its various principles and policies related to the peaceful reunification of the motherland to Taiwan, Hong Kong and Macao compatriots, and Overseas Chinese. We should assist the government in the successful implementation of the policies on Taiwan, Hong Kong and Macao compatriots, and Overseas Chinese. We should make the best use of nongovernmental channels to promote the contacts between the people of various circles on the two sides of the strait, serve well as a bridge in the imports of capital,

technology, and equipment, and continue to offer suggestions concerning improvement of the reception and investment climate of the capital.

F. We should strive to improve ourselves.

The CPC Central Committee's "Opinions on Persisting in and Improving the System of Multiparty Cooperation and Political Consultation Under the CPC Leadership" has a very important significance in making the CPPCC work successful. We should conscientiously study this document, improve ourselves in line with its guidelines, further promote our cooperation with democratic parties and personages without party affiliation, and actively provide favorable conditions for various parties to study together, exchange views and introduce situations, so that the CPPCC will become an important place for various parties, mass organizations, and representative persons from various circles to cooperate in discussing and participating in government and state affairs. At meetings of the CPPCC, we should guarantee the CPPCC members' freedom of giving criticism and airing dissenting opinions.

We should enforce the provisional regulations on political consultation and democratic supervision formulated by the National CPPCC Conference and this committee. Leading persons at various levels of this committee should further strengthen ties with members of various circles, and become their close friends. They should give assistance to each other in politics and ideology. Members from various circles should maintain close ties with the masses around them, and give reports on their opinions and demands so that the role of the CPPCC as a democratic channel can be developed more successfully. [passage omitted]

#### Beijing 1989 Economic Communique

SK1404150190 Beijing BEIJING RIBAO  
in Chinese 2 Mar 90 p 2

[Communique on Statistics for 1989 Beijing Municipal Economic and Social Development issued by the Beijing Statistical Bureau—date not given]

[Text] The year 1989 was an extraordinary year in the history of the capital. Under the correct leadership of the municipal party committee and the municipal government, the people of various nationalities throughout the municipality resolutely enforced the brilliant policy decisions of the CPC Central Committee, the State Council, and the Central Military Commission; took a clear-cut stand to oppose bourgeois liberalization; and won an overall victory in checking the turmoil and quelling the counterrevolutionary rebellion. By conscientiously implementing the principle of improving the economic environment, rectifying the economic order, and comprehensively deepening reforms as formulated at the Third Plenary Session of the 13th CPC Central Committee, the municipality worked arduously and made up for the losses due to the turmoil and the rebellion, and ensured a steady development of the national economy.



According to preliminary statistics, the gross domestic product during the year reached 45 billion yuan. If calculated in terms of comparable prices (the same below), the gross domestic product showed an increase of 4.2 percent over the previous year. The national income reached 33.36 billion yuan, an increase of 4.8 percent. Industrial production increased appropriately. The municipality reaped bumper grain harvests for 12 years running. Both urban and rural markets were steadily developing. Retail sales prices markedly fell after a rise. The scale of investment in fixed assets was controlled by a big margin. Revenues continuously increased. The major problems in the economic operation included the following: No fundamental changes took place in the imbalance between total supply and total demand, which had been accumulating for several years. There were still deep-rooted problems due to the unreasonable economic structure and product mix. Simultaneously, new problems, such as that some enterprises were operating under capacity and that market sales were weakening, also emerged. Thus, the tasks ahead of us are still extremely arduous.

### 1. Industry

Industrial production steadily increased. Affected by the turmoil, rebellions, and slump market, the municipality's industrial production greatly fluctuated. However, viewing the whole year's production situation, the municipality still maintained an appropriate increase in industrial production. The total industrial output value realized during the year reached 44.59 billion yuan (calculated in terms of the 1980 constant prices), an increase of 6.5 percent over 1988 and a drop of 10.6 percentage points from the 1988 increase rate of 17.1 percent. (If the output value realized by industries at or below the village level were included, the total industrial output value would be 51.15 billion yuan, an increase of 9.3 percent). Of the total industrial output value, the output value of the industries owned by the central authorities increased by 5.6 percent, that of local industries increased by 6.6 percent, that of state-owned industries increased by 2.1 percent, that of collectively-owned industries increased by 10 percent (of this, that of township-run industries increased by 27 percent), that of light and textile industries increased by 8.6 percent, and that of heavy industry increased by 4.8 percent.

The production of expensive durable consumer goods was reduced in 1989 after extraordinarily big increases in the past few years. Along with control over the total demands, the production of the products in need of much investment and the products for institutional consumers' use was constantly reduced. By carrying out special policies on funds, foreign exchange, raw materials, energy resources, and transportation, the municipality better fulfilled the targets for producing 100 key products in short supply, 100 small commodities that are closely related to the people's livelihood, and 26 people's daily necessities. The output of major industrial products was as follows:

	Unit	1989	1988-1989 Percentage Comparison
Steel	10,000 ton	385.9	104.4
Rolled steel	10,000 ton	326.8	104.0
Raw coal	10,000 ton	852.4	108.4
Electricity	100 million kwh	118.8	107
Cement	10,000 ton	291.7	95.5
Vehicle	10,000	8.5	94.5
Chemical fertilizer	10,000 ton	10.1	98.1
Television Set	10,000	88.9	95.6
Color TV Set	10,000	57.6	99.3
Tape recorder	10,000	172.9	164.8
Refrigerator	10,000	24.7	104.8
Piano	1	11,526	100.2
Yarn	10,000 ton	7.5	96.4
Woollen goods	10,000 meter	1,491	95.4
Beverage wine	10,000 ton	28.2	118.0

In 1989, the stable quality improvement rate of the industrial goods of our municipality reached 98.5 percent. Despite acute market competition, the industrial departments of Beijing Municipality produced 1,058 new products that reached advanced world and domestic levels. The Changcheng Konica camera produced by the Beijing General Camera Plant won the first prize for automatic cameras in a national competition. At an international tender invitation event participated in by nearly 20 world-famous printing machine production plants, the Beijing Renmin General Machinery Plant beat other strong competitors and won the tenders for producing 113 offset printing machines of five varieties, with the total transactions reaching \$19.286 million, accounting for 76.3 and 55 percent, respectively, of the total number of machines and total amount of transactions involved in the tender invitation. The plant did credit to Beijing for the highest tender winning percentages in the history of China's electric and machinery products.

The economic results of industrial production remained in the lead in the country. In 1989, the rate of profits and taxes in the total amount of sales of local budgetary industrial enterprises, and the rate of profits and taxes in the total amount of their funds were 21.38 and 27.31 percent, respectively, ranking first and second in the country. The per-capita labor productivity of the state-owned industrial enterprises under the independent accounting system throughout the municipality reached 28,032 yuan, 2.3 percent higher than the preceding year, ranking second in the country. The energy consumption for producing per 10,000 yuan of output value was 4.22 tons of standard coal, a decline of 2.8 percent. Judging from the whole, however, the economic results were still not good enough. Local budgetary industrial enterprises created 5.19 billion yuan in profits and taxes, a drop of

2.1 percent; the year-end amount of funds tied up in overstocked goods reached 2.98 billion yuan because of the serious overstock of manufactured goods, up 86.6 percent; and the production cost of comparable products rose by 17.1 percent.

## 2. Agriculture

The rural economy developed in the process of adjustment. In 1989, the suburban areas of the municipality conscientiously implemented the decision on reaping a bumper agricultural harvest made by the central authorities, further consolidated and improved the optimum-scale farming method characterized by collective production and management, promoted scientific farming methods, and increased agricultural investment throughout various channels, thus ensuring a sustained development in the rural economy. The agricultural output value of the municipality was 2.55 billion yuan (in terms of 1980 constant prices), up 5.5 percent from the preceding year; and the total output value of rural areas was 24.09 billion yuan (in terms of the prices of the year), up 23.8 percent. In the total output value of rural areas, the output value of such nonagricultural trades as industry, construction, transportation, commerce, and catering was 17.87 billion yuan, rising by 25.8 percent and accounting for 74.2 percent of the total.

A good grain harvest was reaped. The 1989 annual grain output totaled 2.392 million tons, an increase of 2.1 percent over the preceding year. It was the 12th year of bumper harvest since 1978. The per-mu yield of grain was 538 kg, up 3.5 percent. Both per-mu yield and output hit an all-time high.

The production of nonstaple foods continued to grow, and the "food baskets" of the people in the capital were increasingly enriched. The 1989 output of the major nonstaple foods was as follows:

	Unit	1989	1988-1989 percentage comparison
Eggs	10,000 tons	24.7	113.5
Milk	10,000 tons	19.9	110.5
Fresh water fish	10,000 tons	4.6	117.9
Vegetables	10,000 tons	334.6	123.3
Dry and fresh fruits	10,000 tons	26.7	112.0
Water melons	10,000 tons	37.7	98.4
Pork, beef and mutton	10,000 tons	17.2	118.5

Conditions for agricultural production improved. The total capacity of the farm machinery of the rural areas throughout the municipality reached 4.239 million kilowatts, an increase of 0.1 percent over the preceding year; the number of large and medium-sized tractors 12,000, a decline of 2 percent; the number of trucks 19,000, up 20.3 percent; the amount of chemical fertilizer applied (converted to 100 percent efficiency) 118,000 tons, up

10.8 percent; and the consumption of electricity in rural areas 1.9 billion kilowatt hours, up 16.2 percent. The Fengkang strain of wheat and other fine strains were applied widely in the municipality, thus laying a good foundation for reaping high and stable yields of grain. However, the gradual reduction of cultivated land in the past few years posed a threat to a further development in agriculture.

Town-run enterprises played an active role in enhancing the actual strength of the collective economy. The total income earned by town-run enterprises in the year reached 14.16 billion yuan, a 12.9 percent increase over 1988, and their profits reached 1.79 billion yuan, a 13.7 percent increase over 1988. However, they still had problems concerning poor quality and low economic results. The province made the structure of these enterprises reasonable day by day by imposing shutdowns as well as production suspensions, combinations of those, and transfers on its 1,500 enterprises which had had high costs and low profits and whose products had not been suitable to markets.

## 3. Investments in Fixed Assets and Building Industry

The scale of investments in fixed assets was brought under effective control. In line with the spirit of the State Council's directive, our municipality resolutely curtailed the scale of investments in fixed assets in 1989 and checked the trend of steady increase in the investments in fixed assets. The municipality invested 13.91 billion yuan in fixed assets in the year, a 14.7 percent increase over 1988. Of these investments, that in local fixed assets was 6.51 billion yuan, a 32.8 percent decrease over 1988.

Our municipality continued to vigorously conduct the work of checking, suspending, and putting off the projects which were under construction in 1989, thus bringing the new projects which began to be built in the year under strict control and the scale of projects which were under construction in the year under effective control. The municipality suspended and put off 721 construction projects and 1,319 projects of capital construction, which were under construction in the year and showed a 158 project decrease over 1988. The number of projects which were under construction with the investments of technical renewal and renovations in the year was 2,466, an 828 project decrease over 1988. The local capital construction projects which were under construction in the year showed a 113 project decrease over 1988.

The municipality's housing acreage in 1989 reached 24.51 million square meters, a 7.2 percent decrease over 1988 and its acreage on which the housing projects were completed was 10.47 million square meters, which was basically the same as that of 1988.

The municipality made smooth progress in building the state key projects in 1989. The municipality invested 1.16 billion yuan in 18 state key projects, which accounted for 100.2 percent of the investment plan. The municipality put the partial equipment of the joint-venture Matsushita Color Kinescope LTD. company,

the imported equipment of the Huadu brewery, and the 200,000-kw generator set No. 2 of the Shijingshan power plant into operation in the year.

The projects of the Asian Games attracting world attention were accomplished on time and on schedule in the year. By the end of 1989, its accumulated investments reached 1.34 billion yuan and accounted for 74.4 percent of the investment plan. Of 31 projects of stadiums and gymnasiums for the Asian Games, 27 were completely built. The Beijiao stadium and gymnasium and the participants' village began to take shape. The Beijiao municipal administration projects whose construction is coordinated with the Asian Games were basically completed. The computer management system and the telecommunications and electronic service systems in the construction project for the Asian Games were put into trial operation.

The curtailment of investment scale brought about certain influence on the production of construction industry. The 1989 total output value of construction enterprises reached 9.49 billion yuan, a 9.8 percent increase over 1988, which showed an 11.7 percentage point decrease over 1988 as compared with the increased scale of 1988. The per capita productivity calculated in terms of construction value reached 14,539 yuan, an 11.9 percent increase over 1988.

#### 4. Urban Construction and Management

The construction of urban infrastructures achieved new progress. The municipality built roads in urban and rural areas totalling 56 km in 1989. The Xueyuan section on the road between Beijing and Shunyi County along the fourth northern ring highway, the Yunjusi road, and six other roads were completely built and opened to traffic. It expanded four road connections and seven road spans and slow lines; built 18 new bay-style bus stations; and opened eight new routes for electric trains and buses, four micro-bus routes, and 16 routes for long-distance buses. It readjusted and extended the operation time on 10 bus routes. It also replaced 23.5-km-long old steel double tracks for subways in the year and improved some electric facilities.

In 1989, construction of the project of diverting water from the east to the west started formally and developed rapidly. The two sets of the first-phase project of the No. 9 water plant was made available, with a daily capacity to supply 340,000 tons of water. This relieved the water shortage of urban areas. In 1989, the volume of water consumed was 500 million tons, of which, the consumption of water for everyday life was 320 million tons. The consumption of electricity in the municipality was 14.26 billion kwh, up by 3.5 percent over 1988, of which, the electricity consumed by urban and rural residents was 850 million kwh, up by 11.8 percent. The central heating system developed in 1989 was 1.8 million square meters of floorspace, and the regional and integrated heating system covered 5.2 million square meters of floorspace. In 1989, another 113,000 households were supplied with

natural gas and pipeline coal gas. By the end of 1989, a total of 1.727 million households in the municipality were provided coal gas, natural gas, and liquified petroleum gas.

Remarkable achievements were scored in afforestation in 1989. A total of 2.73 million trees were planted in urban areas, 16.215 million trees were planted in suburban districts, and 692,000 hectares of barren hills were afforested by people or using planes. The forest-coverage rate in the municipality reached 26 percent, and the per-capita share of afforested land reached six square meters.

To coordinate the projects of the Asian sports games, the municipality further improved the quality of the environment. A total of 64 hectares of land were afforested in the Asian Games Village, the No. 3 bridge in the Fifth Street in Beijiao District, and the 31 contest sites and gymnasiums of the Asian Games. The environment around the Beijing Workers' Gymnasium and four other gymnasiums improved. The municipality basically fulfilled the task of planting water-conserving trees on the upper reaches of Chaobai He in the preservation area of the No. 8 water plant and on the upper reaches of Miyun Reservoir. In 1989, the municipality straightened out or moved 57 serious polluted industrial enterprises; newly built four low-noise residential quarters, making more than 1,500 families free from the noise disturbance. The municipality also built 39 new quarters without air and dust pollution.

In 1989, the municipality built 80 close-type containerized garbage transfer stations, and removed all open-air dustbins and garbage stations from 77 streets. Public conveniences on 69 streets, six key zones, and 13 competition gymnasiums all achieved standards.

#### 5. Transportation, Post, and Telecommunications

Volume of freight and passenger transportation declined. In 1989, the number of cargo and passengers dwindled due to a slowdown in economic expansion and increases in ticket prices. In 1989, traffic and transportation departments handled 68,451 million tons of goods, of which, 31,442 million tons were handled by railways, a drop of 0.8 percent from 1988; 36,972 million tons were handled by highways, a drop of 16.3 percent; and 37,000 tons were handled by airplanes, a drop of 59.3 percent. The number of passengers carried by railways reached 42.06 million persons, a decline of 12 percent from 1988; that carried by airplanes, 1.95 million persons, a decline of 21.8 percent; and that by highways, 24.24 million persons, a decline of 12.8 percent.

New headway was made in post and telecommunications service. Business volume of postal and telecommunications departments in 1989 reached 450 million yuan, an increase of 28.1 percent over 1988. In 1989, 320 million pieces of mail were delivered, a decline of 85 percent from 1988; and 870 million copies of newspapers were distributed, a decline of 27.2 percent. By the end of



1989, the number of telephones installed throughout the municipality was 435,000, 100,000 more than that at the end of 1988, or an increase of 31.8 percent. The number of telephone subscribers in urban areas reached 276,000, an increase of 16.9 percent.

#### 6. Commerce

In 1989, retail sales markets in the municipality changed from being brisk to being normal. Sales of some commodities were sluggish, and the margin of market price increases was obviously lower than 1988.

The volume of retail sales of commodities totalled 26.67 billion yuan, an increase of 13.8 percent over the previous year and greatly lower than the 1988 increase rate of 32.7 percent. Of this, the volume of retail sales of consumer goods increased by 12.6 percent, that of farm capital goods increased by 32.4 percent, that of consumer goods sold to people increased by 14.8 percent, and that of consumer goods sold to institutions increased by 3 percent. Of the volume of retail sales of consumer goods, that of foodstuffs increased by 17 percent, that of clothes was reduced by 4.2 percent, and that of commodities for daily use increased by 13.5 percent. The sales volume of foodstuffs increased at a faster speed in 1989. Of this, the sales volume of edible oil increased by 6.1 percent, that of fresh eggs increased by 5.8 percent, that of pork, beef, and mutton increased by 5.8 percent, that of fresh vegetables increased by 2.4 percent, and that of fresh melons and fruits increased by 25.8 percent. The sales volume of such durable consumer goods as sewing machines, cameras, television sets, tape recorders, electric fans, refrigerators, and washing machines was reduced.

The reasons for the sluggish market in 1989 were as follow: The excessive consumption demand was preliminarily brought under control. Goods prices fell after a rise. Parts of purchasing power were turned into value-guaranteed savings deposits. The purchasing power of tourists and floating population was reduced. Sales became stagnant after the panic buying trend in 1988. The commercial enterprises' economic results were reduced because great changes took place in the market and some commodities were kept in stock. The retail enterprises used 1.08 billion yuan in circulating their commodities, an increase of 16.4 percent; and 6.7 yuan were used to market per 100 yuan worth of commodities, an increase of 9.9 percent. The retail enterprises realized 690 million yuan in profits, a drop of 7.5 percent from the previous year due to the increase in circulation cost.

To further make things convenient for the people, the municipality continued to strengthen the construction of service networks. By the end of 1989, the municipality had some 120,000 commercial, catering, and service centers. There were 730 country fair trade markets and their transaction volume reached 1.83 billion yuan, an increase of 29 percent over the previous year. Every 10,000 people had 118 service networks, an increase of 7 over the previous year.

Price hikes were noticeably lower than those of 1988. The index for retail price hikes dropped with each passing month and dropped from 28.9 percent in January to 7.6 percent in December. The index for retail price hikes in 1989 increased by 18.5 percent, an increase of 21.9 percent over 1988 and a drop of 3.4 percentage points. The price index for staff and workers' living expenses increased by 17.2 percent, a drop of 3.2 percentage points from the 1988 increase rate of 20.4 percent; and the price index for basic living expenses increased by 8.6 percent, a drop of 9 percentage points from the 1988 increase rate of 17.6 percent.

#### 7. Foreign Economic Relations and Trade, and Tourism

After tiding over the difficulties brought about by the turmoil and rebellion, the municipality continuously made great progress in developing foreign economic relations and trade. The total volume of foreign export trade reached \$1.16 billion, overfulfilling the state-assigned plan by 27.2 percent and showing an increase of 13.6 percent over 1988. The export product mix was further improved and the amounts and the proportion of highly additional-valued export products increased. The export volume of three foreign trade companies, including clothes, knitting, and machinery companies, each surpassed \$100 million in 1989.

In 1989, the municipality newly approved and established 185 "three-capital" enterprises, an increase of 25 percent. Of the newly approved foreign-invested enterprises, 165 were productive enterprises, accounting for 89.2 percent. By the end of 1989, there were 594 foreign-invested enterprises in the municipality, the transaction volume covered in the agreements were about \$4 billion, and some \$1.86 billion foreign funds were assimilated. A total of 220 enterprises started operation and most of them were well managed. The output value (current prices) realized by these enterprises during the year totalled 3.52 billion yuan, an increase of 79.6 percent; their income from sales reached 3.91 billion yuan, an increase of 41.2 percent; and their export volume reached \$50 million, an increase of 1.2 times. In 1989, the municipality signed \$20.995 million worth of contracts on labor service cooperation; and the business volume reached \$10.175 million, an increase of 26.8 percent.

Tourism was affected by the turmoil and rebellion to a great extent. During the year, the municipality received 645,000 tourists, 46.4 percent fewer than the preceding year; and income from tourism was 1.76 billion yuan in foreign exchange, 30 percent less.

#### 8. Finance and Banking

Stable growth in the financial revenue continued for seven years in a row. The 1989 financial revenue was 7.1 billion yuan, surpassing the annual quota by 20 million yuan, and increasing by 4.3 percent over the preceding

year. Of the total, 7.87 billion yuan [as published] was industrial and commercial taxes, an increase of 17.9 percent.

The annual financial expenditures totaled 5.95 billion yuan, which was kept within the annual budget and was 12.4 percent greater than the preceding year. Of the total, the expenditures for maintenance of urban infrastructural facilities rose by 16.1 percent, for education by 15.6 percent, and for public health by 6.9 percent. Subsidies of various kinds totaled 4.5 billion yuan in the year, 38.3 percent more than the preceding year, thus increasing the municipality's financial burden.

By the end of 1989, deposit sums of various kinds in banks reached 71.76 billion yuan, 10.15 billion yuan more than the figure scored in early 1989 and the volume of various bank loans reached 48.69 billion yuan, 7.1 billion yuan more than the figure scored in early 1989. Withdrawal of currency from circulation in the year was 1.26 billion yuan and 510 million yuan greater than the preceding year.

The insurance business continued to make new progress. As of the end of 1989, there were 159 insurance policies suitable to the needs of various social circles and the people's livelihood. Also, 10,000 enterprises, 1.6 million households, 1.75 million residents, and 195,000 motor-drive vehicles throughout the municipality took out various kinds of insurance, whose risk premiums reached 77.5 billion yuan.

#### 9. Science and Technology, Education, Culture

Reforms in scientific and technological systems scored new achievements which played an increasingly important role in the economy. Scientific research departments run by the municipality scored 865 results in 1989 and 1,229 results were popularized or applied to production in the year and resulted in good social benefits and economic efficiency. In line with the need to build projects for the Asian Games, the municipality carried out the program of overcoming more than 50 major technological difficulties in the year and scored many important achievements. By using the computer as an aid, the Beijing Architectural Design Institute first worked out the design of a multipurpose gymnasium for the Asian Games, which has a structural roof with double pitches and single-curve housing. The "101" hair tonic again won the large golden trophy prize sponsored by the Industrial and Commercial Federation in Paris, France and the golden plaque prize for outstanding products. Its agricultural scientific and technological personnel succeeded again in breeding the new and follow-up wheat seeds for the new generation, including "Beijing No. 837" and "Capital No. 411," which can grow strong stems and large grains and whose adaptability is good. The "spark plan" undertaken by its suburban areas achieved new progress, in which 48 advanced and jointly technical results suitable to agricultural production were popularized. By the end of 1989, the municipality set up 257 scientific commissions

(scientific research offices) at the township level, which played an important role in applying advanced technologies and popularizing scientific and technological results.

Educational undertakings continued to make progress. The municipality had 67 higher educational institutions in 1989, which had 142,000 students and 34,000 graduates. It had 2,736 graduate school students studying for a doctorate and 15,000 students in the masters program. The municipality had 122 secondary specialized schools which had 59,000 students; 183 vocational (agricultural) schools which had 56,000 students. The ratio of enrolled students between secondary specialized schools, technical schools, vocational (agricultural) schools, as well as general senior middle schools, was 1.24 to 1. The educational structure became more reasonable day by day.

Elementary education was enhanced. The municipality put 160,000-square-meters of new primary school houses into use in order to ensure that primary schools are free from double-shift classes. By the end of 1989, the municipality totally completed the work of repairing or improving the hazardous houses of middle and primary schools, which have no dangerous buildings at present. In 1989, its primary schools enrolled 135,000 students and junior middle schools 96,000 students, basically meeting the plan's demands. The municipality had 323,000 students in junior middle schools and 935,000 student in primary schools. The number of students of various middle and primary schools in the municipality in the year, who had dropped out of schools, showed a 20 percent decrease over 1988.

Adult education of various kinds was strengthened. Various part time higher learning institutions including television, night, vocational, and correspondence universities had a total of 35,000 students, and 27,000 students graduated from such institutions.

In 1989, the municipality had 1,216 movie projectionist teams, 42 art performing troupes, 22 cultural centers, and 23 public libraries. The municipality also had 128 publishing units, which published 29 million copies of magazines and 524 million copies of newspapers in 1989. About 91 percent of the areas in the municipality were able to receive the programs of the Beijing Broadcasting Station, and about 80 percent were able to receive the programs of the Beijing Television Station.

At the end of 1989, cultural relics preservation units announced by governments at all levels numbered at 1,232, of which, 189 were key cultural relics preservation units at or above the municipal level.

#### 10. Public Health and Sports

Public health undertakings continued to expand, and medicare conditions improved further. By the end of 1989, the municipality had 4,398 medicare and health organs, of which, 470 were urban and rural hospitals. There were 73,000 professional medicare personnel, and

the beds in hospitals numbered 52,000. In the municipality, the average number of doctors of traditional Chinese and Western medicines shared by each 1,000 residents increased from 4.7 persons in 1988 to 4.8 persons in 1989; and the average number of hospital beds shared by each 1,000 residents increased from 4.9 to 5.1. In 1989, 17 medicare organs were newly built, rebuilt, or expanded throughout the municipality, of which, five were hospitals at district level, and four were hospitals at county level. Prevention and health work in rural areas developed in depth. The number of village-run health units reached 4,101, covering 93 percent of the areas in the municipality.

Sports were popularized and further developed. In 1989, the municipality's athletes earned 172.25 medals at major international and domestic sports events, of which, 54.5 were gold medals, and 57.5 were silver medals. In 1989, one athlete broke one world record, two athletes broke Asian records two times, and five athletes broke five domestic records six times.

#### 11. People's Living Standards

By the end of 1989, workers and staff members throughout the municipality numbered 4.134 million, 30,000 more than 1988. The total volume of wages for workers and staff members amounted to 9.53 billion yuan, an 11.6-percent increase over 1988. The annual average per-capita wages of workers and staff members reached 2,313 yuan, up 9.7 percent over 1988.

According to sample survey of urban and rural residents, in 1989, annual spendable incomes for daily lives averaged 1,597 yuan per urban resident, an increase of 11.1 percent over 1988. After the price rise factor was deducted, the actual income of some urban residents dropped to a certain extent. The annual average net income of peasants was 1,230.7 yuan, up 15.8 percent over 1988. After deducting price rises of industrial products in suburban districts, the income registered an actual growth of 3 percent.

Savings deposits of urban and rural residents increased greatly. By the end of 1989, savings deposits amounted to 16.2 billion yuan, a net increase of 5.04 billion yuan over that at the beginning of 1989.

Housing conditions for urban and rural residents improved somewhat. Per-capita housing floorspace of urban residents rose from 7.17 square meters in 1988 to 7.82 square meters in 1989, while that of rural residents rose from 19.2 square meters to 20.1 square meters.

#### 12. Population

According to statistics of residence registration departments, by the end of 1989, the population with permanent residence registration in the municipality reached 10.211 million, 199,000 more than that at the beginning of 1989 (including 67,000 with reissued residence registration). Among the permanent population of the municipality, non-agricultural population was

6.304 million, and agricultural population was 3.907 million. In 1989, the birth rate of the municipality was 12.84 per thousand, a drop of 1.56 per thousand from 1988; the mortality rate was 5.63 per thousand, an increase of 0.09 per thousand; and natural growth rate was 7.21 per thousand, a drop of 1.65 per thousand point.

#### Beijing People's Court Work Report

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["Excerpts" of report on the work of the Beijing Municipal People's Court given by Liu Yunfeng, president of the Beijing Municipal Higher People's Court, at the third session of the ninth Beijing Municipal People's Congress on 6 March 1990]

[Excerpts] Fellow deputies:

Now, I would like to give a report on the major work done by the people's courts at all levels throughout the municipality in 1989 and on the suggestions for the work in 1990 to the present session for discussion.

#### 1. A Summary of the Work in 1989

In 1989, the people's courts at all levels throughout the municipality, in line with the resolutions of the second session of the ninth municipal People's Congress on the work reports of the People's Court and the People's Procuratorate and under the guidance of the party's line, principles, and policies, the supervision of the municipal People's Congress Standing Committee, and the court of the next higher level and the coordination and support from all fields, strictly enforced the law, actively carried out all trials, concluded 54,646 cases of all descriptions, fulfilled their tasks in a fairly good manner, and played a role in guaranteeing and promoting the smooth progress of the capital's social stability, rectification, reform, opening up, and the four modernizations drive. We mainly fulfilled the following tasks:

A. We tried criminal cases and strictly punished criminals in line with the law.

In 1989, the people's courts at all levels throughout the municipality accepted 7,327 criminal cases of the first instance, an increase of 27.7 percent over the previous year, and concluded 7,118 cases. Among the 9,442 criminals whose verdicts were final with no chance of appeal, 3,695 were sentenced to a prison term of five years or more, to life imprisonment, or to capital punishment, accounting for 39.1 percent of the total number of criminals. In criminal trials, the emphasis of our work was:

1) We directed the spearhead of attack at criminals who caused serious harms to society.

First, we continued to implement the principle of dealing heavy and quick blows to criminals and strictly punished criminals who seriously disrupted social security. In



1989, we accepted 3,590 criminal cases on seriously endangering social security, an increase of 54.2 percent over the previous year, of which 3,459 cases were concluded. Among the 5,317 criminals whose verdicts were final with no chance of appeal, 3,169 were sentenced to a prison term of five years or more, to life imprisonment, or to capital punishment, accounting for 59.6 percent of the total number of cases of this category.

Second, we adhered to the principle of making resolute and careful efforts to deal accurate blows to criminals and strictly punished criminals who seriously disrupted the economy. In 1989, we accepted 2,168 economic cases of the first instance, up 39.2 percent over the previous year, of which 2,115 were concluded. Among the 3,212 criminals whose verdicts were final with no chance of appeal, 1,198 were sentenced to a prison term of five years or more, to life imprisonment, or to capital punishment, accounting for 37.3 percent of the total number of cases of this category. We recovered more than 16.2 million yuan in economic losses, of which 72,800 yuan came from confiscated property and 55,700 yuan from fines after court decisions were made.

Third, we strictly punished criminals from the counter-revolutionary rebellion in line with the law. We have clearly set the demarcation line between guilty and not guilty and between this crime and that crime according to the demands of the Supreme People's Court, by adopting a careful attitude, by upholding the principle of seeking truth from facts, and based on clearly examining the facts. We have sentenced some as counterrevolutionaries because they have obviously and actually committed the crime of counterrevolution and have convicted others according to their crimes. Meanwhile, according to the principle of integrating the practice of giving leniency to confessors with that of imposing severe punishment on resisters, we have dealt with the cases in a timely manner. Cases concerning the crimes of counterrevolutionaries, which were concluded by the end of 1989 accounted for 84 percent of the total.

Fourth, we strictly punished railway transport criminals and succeeded in maintaining safety in railway transport in line with the law. In 1989, the courts dealing with crimes in railway transport accepted 422 criminal cases of the first instance, concluded 410 cases, and sentenced 666 criminals. Among the 617 criminals whose verdicts were final with no chance of appeal, 214 were sentenced to a prison term of five years or more, to life imprisonment, or to capital punishment, accounting for 34.7 percent of the total number of criminals.

2) We resolutely implemented the policies of giving lenient punishment to those who frankly confess their crimes and strict punishment to those who refuse to do so and of combining strict punishment with lenient treatment. [passage omitted]

3) We persisted in taking the facts as the basis and the law as the criterion, stressed accuracy and realistically guaranteed the quality of handling cases. [passage omitted]

4) We managed things strictly in line with the law and fully guaranteed defendants their right to file lawsuits prescribed by the law. [passage omitted]

5) In line with the situation, we selected some typical cases for open trial and announced the facts of the crimes and the results of the trials so as to frighten the criminals and to reflect the implementation of policies. We also actively participated in the special struggle to comprehensively improve social security.

6) We resolutely implemented regulations formulated by the municipal People's Congress Standing Committee on protecting minors. [passage omitted]

B. We tried civil cases and correctly and promptly handled civil disputes.

In 1989, the people's courts at all levels throughout the municipality accepted 27,147 new civil cases of the first instance, an increase of 16.3 percent over 1988, and concluded 27,522 cases. During civil trials, we particularly grasped the following few points:

First, we safeguarded the citizens' and legal persons' rights to file lawsuits in line with the law. We put on record in a timely manner all the lawsuits filed to the people's courts by citizens and legal persons if the lawsuits met the requirements for prosecution, and asked for additional data for those lawsuits that failed to meet the requirements for prosecution according to different conditions, explained to citizens and the legal persons the reasons for not accepting the lawsuits and told them to file the lawsuits to departments concerned for handling.

Second, we safeguarded the legal rights and interests of citizens and the legal persons in line with the law, criticized mistakes, and punished law violations. We conscientiously investigated all civil lawsuits on file, based on facts, considered the general principles of the civil code, the marriage law, the inheritance law, and other laws as the criteria, distinguished right from wrong, clearly established responsibilities and handled the lawsuits in line with the law.

Third, we gave consideration to the masses and strove to make things convenient for them. In this connection, the entire municipality established 89 people's courts. Many cases were tried on the spot by judges who went to the neighborhoods or townships. During the year, we travelled to various localities to conclude 12,214 cases on the spot, accounting for 44.4 percent of the total number of cases concluded.

Fourth, on the basis of clearly investigating the facts, and clearly distinguishing between right and wrong, and clearly establishing responsibilities, we did a good job in ideological and political work, gave emphasis to mediation, and correctly handled disputes. During the year, we concluded 13,043 cases of the first instance through mediation, and 5,979 were cancelled by the prosecutors. These two accounted for 69.1 percent of the total

number of cases concluded. Of these cases, only 7,961 cases were tried, accounting for 28.9 percent of the total number of cases concluded. A total of 539 cases were concluded through other forms, accounting for 2 percent of the total number of cases concluded. [passage omitted]

C. We tried cases of economic disputes and correctly and promptly handled economic disputes.

In 1989, the people's courts at all levels throughout the municipality accepted 4,491 new cases of economic disputes, up 30.4 percent over the previous year, and concluded 4,277 cases. [passage omitted]

D. We actively and carefully carried out administrative trials and made good preparations for the implementation of the administrative procedure law.

In 1989, the people's courts at all levels throughout the municipality accepted 60 new administrative cases, a decline of 15 percent from 1988, of which 54 were concluded. [passage omitted]

E. We successfully handled cases of second trials and all appeals and provided supervision for the trials.

During the year, 1,273 appeals were lodged by defendants after the court decisions were handed down during the first trial, and 22 appeals contesting the judgement were filed by the procuratorates. The courts for dealing with the second trials heard the appeals lodged by the persons concerned and the appeals contesting the judgement filed by the procuratorates in line with the law, cancelled 22 appeals, and passed judgement on the rest of the appeals according to different circumstances. Of these appeals, the original verdicts of 1,039 cases were maintained, accounting for 81.9 percent of the total number of cases concerning appeals and appeals contesting the judgement; 41 cases were tried again because the major facts were not clear and the evidence was insufficient, accounting for 3.23 percent; and the verdicts of 167 cases were changed due to misjudgement caused by improper application of the law, accounting for 13.2 percent. Among the 234 persons whose verdicts were changed, 183 persons received a less severe punishment, eight persons were exempted from punishment, nine persons were declared not guilty and 27 persons were given another judgement. Seven persons were given a heavier punishment after the appeals contesting the judgement were filed by the procuratorate. [passage omitted]

## 2. The Major Work for 1990

In 1990, the people's courts at all levels throughout the municipality should consider the Fourth and Fifth Plenary Sessions of the 13th party Central Committee as the guidance, conscientiously implement the guidelines of the 15th national court work conference, make all-out efforts to successfully conduct all trials, fully display the functional role of the judicial organs, and render service to safeguarding, guaranteeing, and promoting the capital's political, economic, and social stability, the

improvement and rectification campaign, the deepening of reform, and the four modernizations drive.

A. We should apply the law as a tool to strictly punish serious criminals. It is necessary to make continued, resolute, and careful efforts to try criminal cases that occurred during the counterrevolutionary rebellion, strictly punish counterrevolutionary criminals and criminals guilty of beating, smashing, looting, arson, and murder in strict accordance with the law. We should continue to implement the principle of dealing heavy and quick blows to criminals in line with the law, resolutely mete out strict punishment for the criminals who seriously harm social security, actively participate in the anticorruption struggle, continue to implement the principle of striving to be resolute, careful, and accurate in handling cases, and strictly punish criminals who engage in corruption, bribe-taking, profiteering, and speculation and who cause serious harm to the economy. [passage omitted]

B. We should continue to implement the general principles of the civil code and correctly handle civil disputes in line with the law. It is necessary to enhance our understanding of the importance of the civil trials attend to the trials concerning divorce and debt cases, conduct investigation and study, sum up experience, and raise the level of trying civil cases.

C. We should further hold economic trials, guarantee and promote the smooth progress of improvement, rectification, reform, and opening up. [passage omitted]

D. We should take active and prudent steps to carry out administrative trials and make necessary preparations for the implementation of the administrative procedure law. It is necessary to train cadres, conduct investigation and study, adopt measures, and realistically implement the administrative procedure law.

E. We should do a good job in trying criminal cases that occurred during railway transport and economic disputes and deal blows particularly to such criminal activities as waylaying and robbery in an effort to maintain order and to guarantee safety in railway transport.

F. The municipal higher and intermediate people's courts and the Beijing intermediate people's court dealing with cases in railway transport, in addition to successfully handling the first and second trials and the appeals, as well as people's letters and visits, should serve the grass roots and go deeply to the reality to conduct investigation and study, to sum up experience, and to give adjudication supervision and professional guidance.

G. Through conducting trials and handling cases, we should adopt various forms to publicize the legal system and educate the citizens to cherish their motherland, observe discipline and law, and struggle against law-breaking and undisciplined acts. [passage omitted]

**Advisory Commission Holds 10th Plenary Session**

SK0405233990 Shijiazhuang HEBEI RIBAO  
in Chinese 11 Apr 90 p 1

[Excerpt] The 10th plenary session of the Advisory Commission of the Hebei Provincial CPC Committee opened in Shijiazhuang City on 10 April. During the session, members conscientiously discussed the several measures adopted by the Hebei Provincial CPC Committee for implementing the "CPC Central Committee's Decision on Strengthening the Ties Between the Party and the Masses"; and unanimously pledged to support this decision and stand for the several measures adopted by the provincial party committee for implementing this decision.

Yang Zejiang, chairman of the provincial Advisory Commission, presided over the session. Wang Dongning, vice chairman of the provincial Advisory Commission, made a speech.

Wang Dongning said: The Yanan Rectification Movement in history was a great beginning of our party in party building, which played a major role and produced a far-reaching impact in party history. All of the members of the provincial Advisory Commission had participated in that rectification movement, and gained benefits from it. That the party Central Committee has demanded us to study and implement this decision with the spirit of rectification not only embodies the party Central Committee's determination to achieve success in implementing this decision, but also provides the basic guarantee for the implementation of the decision. We must conscientiously study this decision, enhance our understanding of it, and firmly implement it. We should never deviate from the masses, should be loyal to the people all our lives, and should serve as public servants of the people. [passage omitted]

**Northeast Region****Heilongjiang CPPCC Work Report Presented**

SK0505000990 Harbin HEILONGJIANG RIBAO  
in Chinese 10 Mar 90 pp 5, 6

[Work report of the Standing Committee of the Sixth Heilongjiang Provincial Committee of the Chinese People's Political Consultative Conference (CPPCC), delivered by Vice Chairman Zhang Li at the third session of the sixth provincial CPPCC Committee on 27 February 1990]

[Excerpts] Fellow members:

Entrusted by the Standing Committee, I now submit a report on the work done since the second session of the sixth provincial CPPCC Committee to this session for examination.

1. Since the second session of the sixth provincial CPPCC Committee, the Standing Committee has conscientiously implemented the guidelines of the Third,

Fourth, and Fifth Plenary Sessions of the 13th CPC Central Committee; upheld the basic line of one focus and two basic points according to the resolution adopted at the second session of the sixth provincial CPPCC Committee; united with and relied on all CPPCC members and personages of all circles; displayed the CPPCC's functional role; and made positive contributions to safeguarding and developing the province's stable and united political situation, opposing bourgeois liberalization, improving the economic environment, rectifying the economic order, deepening reforms, and promoting the economic and social development. New progress was made in the work in various spheres.

A. Have a clear-cut position to adhere to the four cardinal principles and safeguard and develop the stable and united political situation.

Last year was an eventful and turbulent year. The imperialists abroad stepped up the pursuit of "peaceful evolution" strategy, and rapid changes took place in East Europe. Due to the long-term spread of bourgeois liberalization thinking, a turmoil took place at home at the turn of last spring and summer, resulting in the occurrence of counterrevolutionary rebellions in Beijing. Under the leadership of the provincial CPC committee, the provincial CPPCC Committee positively and actively conducted its work; had a clear-cut stand to adhere to the four cardinal principles and oppose bourgeois liberalization and the turmoil; conscientiously relayed and studied the relevant instructions of the CPC Central Committee in line with the situation and the ideological reality of CPPCC members; sought unity of thinking; upgraded its understanding; and made efforts to stabilize the political situation. [passage omitted]

To enable the relevant fronts abroad to understand the real situation of the rebellions and the measures to quell them, the provincial CPPCC Committee also convened forums attended by responsible comrades of departments related to foreign affairs and foreign nationals, and forums attended by compatriots from Hong Kong, Macao, and Taiwan and returned Overseas Chinese; and made suggestions to the CPPCC members to propagate the real situation and the party's policies among overseas relatives and friends through meetings, telephones, and letters.

CPPCC organizations at various levels and the broad masses of CPPCC members across the province experienced tests during last year's political storm. They resolutely supported the central authorities' measures for quelling the counterrevolutionary rebellions and the new leadership collective of the CPC Central Committee with Comrade Jiang Zemin as its nucleus, and also made great efforts to conduct ideological work and strengthen the unity among the personages of various circles.

B. Conscientiously exercise the functions for political consultation and democratic supervision and positively promote the development of spiritual and material civilizations.



Over the past year, we conscientiously implemented the National CPPCC Committee's "provisional regulation on strengthening political consultation and democratic supervision" and the Heilongjiang Provincial CPC Committee's "several regulations on strengthening the CPPCC's political consultation and democratic supervision;" displayed the CPPCC's overall functional role and advantages of having skilled persons closely in line with the task of improving the economic environment, rectifying the economic order, and deepening reforms as defined at the third plenary session of the 13th party Central Committee, and the province's two civilizations; further regularized and institutionalized the political consultation and democratic supervision; and upgraded the quality of participating in and discussing political affairs. [passage omitted]

The motions work was greatly strengthened. The CPPCC members noticeably upgraded the quantity and quality of their motions and markedly improved the speed and results of handling motions. Since the second session of the sixth provincial CPPCC Committee, members have set forth 373 motions. Now, 349 of them have been handled, accounting for 93.6 percent. [passage omitted]

C. Strengthen the work and construction of special committees.

Special committees generally established detailed rules and regulations for work, perfected their work systems, strengthened leadership forces, strengthened their work organs, cleared the channels for keeping contacts with relevant party and government departments, and enhanced their contacts with relevant members. Economic, scientific and technological, cultural, educational, public health, and legislative affairs committees strengthened investigations and study, displayed their major functions for politically consulting with and democratically supervising the CPPCC, and played a key role in improving the quality of participating in and discussing political affairs. The provincial CPPCC Committee noticeably made improvements in doing their professional and special work, and successfully displayed their functional role. [passage omitted]

The Cultural and Historical Data Committee made noticeable achievements in compiling historical accounts of past events. The committee proceeded from optimizing the editorial work and the selection of subjects and emphatically attended to the work of collecting historical data of special subjects and overseas historical data. Historical data, involving 1.76 million characters, were collected during the year. Of this, historical data of special subjects accounted for 1.3 million characters or 80 percent. Four volumes of books of culture and history, involving 800,000 characters, were edited and published. The quality of editing and publication was newly improved. The publication work was strengthened.

The Nationalities Committee and the Religion Committee initiatively worked in cooperation with responsible departments under the government to conduct general inspections on the implementation of the policies toward nationalities and religions. The committees organized the CPPCC members of various nationalities and of various religions to implement the policies on religions and nationalities, develop the national economy, and conduct the education on the policies toward nationalities in line with the method of linking investigations and study with the solution of practical problems; and made fruitful achievements. [passage omitted]

D. Implement the guidelines of the CPPCC work conference sponsored by the provincial party committee, and guide and promote the CPPCC work of cities and counties.

The CPPCC work conference, sponsored by the provincial party committee on December 1988, was an extremely important meeting to guide and promote the province's CPPCC work. To implement the guidelines of the conference, last spring, entrusted by the provincial party committee, the leading party group of the provincial CPPCC Committee and the United Front Work Department of the provincial party committee organized and sent four inspection groups to 10 prefectures and cities and 13 counties to inspect and supervise the implementation of the conference guidelines and the provincial party committee's "several regulations on strengthening the CPPCC's political consultation and democratic supervision." [passage omitted]

E. Strengthen and improve the self-construction of the CPPCC and conduct theoretical study.

The Standing Committee improved the convocation of meetings and concentrated energy on discussing great matters. The subjects for discussion at the Standing Committee meetings to relay and implement the main decisions of the CPC Central Committee and the provincial party committee as well as to consult with and discuss major problems were comparatively concentrated and prominently emphasized. [passage omitted]

According to the demand of the development of the CPPCC work, the provincial CPPCC Committee positively advocated the study of the CPPCC theory, and also convened the first provincial symposium on the CPPCC work. [passage omitted]

In short, over the past year, the provincial CPPCC Committee ceaselessly improved its work and also made new achievements. The CPPCC organizations' role in political, economic, and social activities is getting increasingly more important with each passing day; and they have enjoyed the attention and support of the party, the government, personages of all circles, and the broad masses of the people. The CPPCC work is now in the stage of development and improvement. [passage omitted]

2. The year 1989 was one when CPPCC organizations and the CPPCC work experienced severe tests and advanced in the course of storms and introspection. Through practical examinations and conscientious considerations, we gained experiences principally as follows:

A. Put the firm and accurate political orientation in the first place and uphold and perfect the system of multi-party cooperation and political consultation under the leadership of the CPC.

The political storm that took place at the turn of last spring and summer told us that the fundamental key to upholding the accurate political orientation hinges on persisting in the leadership of the CPC and the socialist road. The CPPCC should uphold the system of multi-party cooperation and political consultation under the leadership of the CPC. The patriotic and united front, composed of various democratic parties, nonparty personages, personnel of mass organizations, personages of minority nationalities, and patriotic personages of various circles, involving socialist laborers and the patriots supporting socialism and the reunification of the motherland, has pooled the efforts to build socialism with Chinese characteristics, reunify the motherland, and rejuvenate China under the leadership of the CPC. [passage omitted]

B. Proceed from the overall situation to pay attention to great matters, and positively and actively carry out work to serve the central task of the party.

As an organization of the patriotic and united front, the CPPCC is essentially and closely related to the general situations at home and abroad, the general line and policies of the party, and the central tasks of the state. So, the CPPCC organizations should consciously think of, grasp, and discuss great matters; consider questions in line with the overall situation; be sober-minded; neither wait for nor rely on others; and initiatively carry out their work. After the rebellions took place in Beijing and some other places at the turn of last spring and summer, the provincial CPPCC Committee immediately readjusted its work arrangements and concentrated energy on unifying the thinking, opposing the rebellions, and stabilizing the situation. After the third plenary session of the 13th party Central Committee, the country as a whole started to carry out the work of improving the economic environment, rectifying the economic order, and deepening reforms; and the provincial CPPCC Committee also concentrated its main efforts on investigating and studying the work of improving the economic environment, rectifying the economic order, and deepening reforms, enthusiastically set forth opinions and suggestions, and suggested ways and means. [passage omitted]

C. Pay high attention to members' study and self-education at the time of strengthening political consultation and democratic supervision.

Members' study and improvement is a key prerequisite for achieving political consultation and democratic

supervision as well as a base to display the CPPCC's political functions of unity and coordination. Particularly under the circumstances where the political situation is changed and the social thinking is shaken, it is more necessary for the CPPCC to carry forward its fine tradition of self-education and to help its members achieve their self-study. [passage omitted]

D. Ceaselessly improve the work of participating in and discussing political affairs through deeply conducting investigations and study.

Through investigations and study, CPPCC members can go deep into the reality, establish contacts with the masses, understand the situation, and grasp the truth; and the CPPCC organizations can fully display their advantages of having various kinds of skilled persons. Last year, we applied specialized methods to investigate and study various localities' implementation of the "383 program." Through investigations, assessments, and analysis, we set forth opinions and suggestions with good grounds; thus, enjoying the attention of the provincial party committee and the provincial government. Many of our opinions were adopted. [passage omitted]

E. Strengthen the study of the CPPCC theory and gradually understand the law governing the CPPCC work.

Since the third plenary session of the 11th party Central Committee, particularly after the 13th party congress, the CPPCC has been confronted with a new situation and new requirements. A series of key problems have been placed in front of us and need theoretical study and explanations. Meanwhile, we should conscientiously sum up the practices of the CPPCC over the past 40 years, particularly in the last decade, and approach the work from the high plane of theories. Thus, the provincial CPPCC Committee has placed the study of theories on the main work agenda. [passage omitted]

F. Respect CPPCC members' main roles, display CPPCC organizations' functional role, and ceaselessly upgrade the work quality and efficiency of the CPPCC organizations.

Members are the main body of the CPPCC. The realization of the CPPCC's functional role should mainly rely on CPPCC members' activities. CPPCC organizations play a role to serve their members. However, CPPCC members are of different social circles and each has his own jobs. Thus, to fully display the CPPCC members' role as the main body of the CPPCC, we must bring into play CPPCC organizations' functional role. [passage omitted]

3. Fellow deputies:

The Fifth Plenary Session of the 13th CPC Central Committee worked out "the decision on further improving the economic environment, rectifying the economic order, and deepening reforms," and the fourth

plenary session of the sixth provincial CPPCC Committee defined the program for implementing the decision of the CPC Central Committee. The decision and the program are of great significance to stabilizing and developing the province's political and economic situation and ensuring the sustained, stable, and coordinated development of the national economy. The year 1990 is a crucial year to implement the decision, improve the economic environment, rectify the economic order, and deepen reforms. So, achieving the work of this year is extremely important to the construction and progress of reforms in the 1990's, the realization of the grand goal by the end of this century, and the long-term order and stability of the country. As an organization of the patriotic and united front, the CPPCC should continue to hold high the banners of socialism and patriotism, strengthen the unity of the united front based on adhering to the four cardinal principles, and carry out its work closely in line with the party's central task. Based on this, the Standing Committee set forth the ideologies for guiding this year's CPPCC work as follows: Under the guidance of the guidelines of the fourth and fifth plenary sessions of the 13th party Central Committee and the fourth plenary session of the sixth provincial party committee, we should take the economic construction as a key link, adhere to the four cardinal principles, persist in the policies of reforms and opening the country to the outside world, conscientiously implement the "CPC Central Committee's opinion on upholding and perfecting the system of multiparty cooperation and political consultation under the leadership of the CPC," be inspired with enthusiasm, work with one heart and soul, positively help the party and the government, and make concerted efforts to ensure the stability of the state and society and successfully accomplish the tasks of improving the economic environment, rectifying the economic order, and deepening reforms. [passage omitted]

Fellow members: At a time when we are entering the last decade of this century, our country is confronted with various challenges and, at the same time, full of new prospects. The party and the people set forth higher demands and placed ardent expectations on the CPPCC. We believe that guided by the accurate line of the CPC Central Committee, under the leadership of the provincial party committee, and in reliance on the concerted efforts of all CPPCC members, we will certainly better achieve the work of 1990, upgrade the CPPCC work to a new level, and make greater contributions to the country's prosperity and the people's happiness.

#### Heilongjiang Budget Report Given

SK0505160190 Harbin HEILONGJIANG RIBAO  
in Chinese 10 Mar 90 p 6

["Excerpts" of report on the fulfillment of Heilongjiang Province's 1989 budget and on its 1990 draft budget delivered by Zhao Jicheng, director of the Heilongjiang

Provincial Finance Department, at the third session of the seventh provincial People's Congress on 1 March 1990]

[Text] Deputies:

Entrusted by the provincial People's Government, I now submit a report on the fulfillment of the province's 1989 budget and on its 1990 draft budget to this session for discussion.

#### 1. The Province's 1989 Budget Was Fulfilled Successfully

In 1989, under the leadership of party organizations and People's Governments at various levels, the people of various nationalities throughout the province conscientiously implemented the principles and policies laid down since the third plenary session of the 13th party Central Committee, the corresponding decisions made by the provincial party committee and the resolutions made at the second session of the seventh provincial People's Congress and, focusing on implementing the principle of improvement, rectification, and in-depth reform, comprehensively carried out the "383 project" and the "financial balance guarantee project" aimed at stabilizing the economy and commodity prices and balancing the financial budget. The province did a great amount of fruitful work. The province's economic construction and other undertakings developed steadily, its revenue and expenditure showed increases, and the tasks for the 1989 budget approved by the provincial People's Congress were successfully fulfilled.

Our province's 1989 budgetary revenue and budgetary expenditure approved at the second session of the seventh provincial People's Congress were 6.41 billion yuan and 6.19 billion yuan, respectively. In the process of executing the budget, the budgetary revenue increased by 313 million yuan due to adjustments of state policies and an increase in our tasks. The adjusted provincial revenue budget was 6.723 billion yuan. Implementation of the budget showed that the revenue reached 7.185 billion yuan (which was a preliminary figure and would show a slight change after final accounting, similarly hereinafter), equivalent to 106.9 percent of the adjusted budget, and rising by 8.8 percent over the preceding year when calculated in terms of the same standards. In the budgetary expenditure, adding the 1.462 billion yuan of retroactive special allocations by the state for use in capital construction, support for agricultural production and city maintenance, and for use as pensions, social relief, and price subsidies, the 562 million yuan of foreign trade deficit and fuel oil taxes, the 1.136 billion yuan of surplus funds left over from the preceding year, and the 295 million yuan from the surplus revenue of the year, the expenditure was adjusted to 9.645 billion yuan. Implementation of the budget showed that the expenditure was 8.544 billion yuan, equivalent to 88.6 percent of the adjusted amount, and increasing by 13.1 percent over the preceding year when calculated in terms of the same standards. Deducting the actual expenditure from



the disposable financial resources of our province, and deducting the 969 million yuan of special funds to be set aside for use next year in line with regulations, the province achieved a net financial surplus of 132 million yuan. Meanwhile, the 350 million yuan of deficit budgeted at the beginning of the year was reduced to 200 million yuan thanks to the state's special consideration and absorption by the province itself.

Major breakdowns of the province's 1989 revenue were as follows: The revenue from industrial and commercial taxes totaled 7.193 billion yuan, that from industrial enterprises 221 million yuan, that from lumbering industrial enterprises 44 million yuan, that from commercial enterprises 15 million yuan, that from agricultural and animal husbandry enterprises 134 million yuan in negative, that from grain enterprises 811 million yuan in negative, that from foreign trade enterprises 309 million yuan in negative, that from agricultural taxes 299 million yuan, and that from other sources 2.96 million yuan.

In the 1989 expenditure, 433 million yuan went to capital construction, 343 million yuan was used for enterprises to tap potential and carry out renovation, 55 million yuan was used in the three scientific and technological purposes, 909 million yuan was used as expenses on farming, forestry, and water conservancy works and as funds to support agriculture, 125 million yuan was used as industrial, communications, and commercial operational expenses, 649 million yuan was used in city maintenance, 1.737 billion yuan was used in cultural, educational, and public health undertakings (of which 1.014 billion yuan went to education), 92 million yuan was used as scientific operational funds, 153 million yuan was used as pensions and social relief funds, 600 million yuan was used in administration, and 1.897 billion yuan was used as price subsidies.

In 1989, the state assigned to our province the tasks of collecting 243 million yuan of funds for energy, communications and key construction projects and 224 million yuan of budgetary regulation funds, and promoting the sales of state treasury bonds worth 362 million yuan. We overfulfilled all these tasks on time and contributed to alleviating the state financial difficulties and supporting the state key construction projects.

In 1989, government at all levels implemented the principle of invigorating the economy in the course of retrenchment, providing guarantees and making curtailments, optimized the expenditure structure on the premise of controlling the province's total financial expenditures, guaranteed the needs for priorities, and supported the sound development of the national economy and all undertakings.

In developing agriculture, we gave emphasis to supporting such undertakings as building small farm land capital construction and water conservancy projects and grain bases, developing diversified economy and popularizing agricultural science and technology. In 1989, the whole province increased 1.02 million mu of paddy

irrigated areas, improved 1 million mu of waterlogged areas and 1.2 million mu of soil-eroded areas, popularized 22 agricultural new technologies and applied them to 665,000 mu of fields. All these played an important role in helping our province reap a fairly good harvest despite the great disasters of last year.

In industry and commerce, in addition to the investments which the financial departments allocated for enterprises to tap potential and to conduct technological transformation, the tax departments at all levels also approved enterprises to repay loans in the form of taxes, to enjoy tax reduction and remittance, and to draw back taxes, totalling 1.01 billion yuan. This effectively supported the growth of industrial production and expanded the circulation of commodities.

In the development of educational undertakings, the financial departments, in addition to greatly increasing input, also supported higher educational schools as well as primary and middle schools to carry out the work-study program to earn 150 million yuan in income, of which 70 million yuan was used to develop educational undertakings and to make up for the deficiency in educational funds. In 1989, the whole province renovated a school building with a total area of 447,000 square meters, built houses totalling 102,000 square meters in floor space for primary and middle school teachers, and further improved the conditions for running schools.

In the development of public health, the financial departments gave priority to supporting the efforts to improve the medical conditions for all sorts of hospitals. In 1989, the whole province increased the area of rooms for medical use by 25,000 square meters, 2,416 hospital beds, and 1,400 pieces of medical equipment, which greatly raised the province's capacity in medical and health-care work and in comprehensive services.

In the development of science and technology, the financial departments gave emphasis to supporting the production of quality flue-cured tobacco and the development of new technologies, such as cultivation of rice through the methods of dry farming and thin planting, and popularizing major agricultural scientific and technological findings, organizing and developing 500 new industrial products, turning science and technology into productive forces, and raising social and economic results.

In urban construction, the financial departments gave emphasis to supporting the transformation of urban infrastructural facilities. According to incomplete statistics, in 1989, the whole province's urban areas increased water supply by eight percent over the previous year. The number of high-grade road surfaces and of water drainage pipes increased by six percent and seven percent, respectively, over the previous year. The number of trees planted in the cities and the average per-capita

housing area for the residents also increased by four percent and 1.9 percent, respectively, over the previous year.

New progress was also made in the sports, cultural, family planning, radio, and television undertakings.

In 1989, governments at all levels, in the situation in which there were many factors for reducing revenues and increasing expenditures and the difficulties were fairly big, still fulfilled the budgetary tasks in a fairly good manner and achieved fairly good success. These achievements indicated and reflected that our province realistically achieved initial results in improvement, rectification, and deepening of reform. This was the result of the efforts of all fronts and the people of all nationalities throughout the province to conscientiously implement the spirit of the second session of the seventh provincial People's Congress under the leadership of the provincial party committee, increase revenues, save expenditures, broaden the sources of income and reduce spendings, and engage in painstaking and diligent work. In 1989, governments at all levels focused their work on fulfilling all budgetary tasks, persisted in giving prominence to one central task and achieved new progress in six aspects.

Giving prominence to a central task meant that we exerted great efforts to carry out the "financial balance guarantee project."

The new progress in six aspects were 1) the new progress in the work of improvement, rectification and in-depth reform, 2) the new progress in building up financial resources and making the grass roots prosper, 3) the new progress in managing money matters according to law and managing taxes strictly, 4) the new progress in financial retrenchment and in ensuring essential projects while cutting back on nonessential ones, 5) the new progress in strengthening financial supervision and strictly enforcing financial and economic discipline, and 6) the new progress in managing state-owned assets.

Some problems that should not be neglected also existed in implementation of the 1989 budget. Major ones were as follows: First, the problem of poor economic results became more and more serious. Industrial goods were overstocked in large quantity, sales of commercial departments were sluggish, all trades and professions earned small amounts of profits, and deficits increased by a large margin. These problems were reflected in finance as the increased negative number in the revenue from enterprises, which became the most conspicuous problem affecting the increase in the financial revenue. Second, the practice of austerity had yet to be established across the board. Some units still competed with one another to get more funds and develop more projects, others still pursued ostentation and extravagance, and still others were engaged in lavish spending and waste to varying degrees. This fell far short of the demand for austerity. Third, financial imbalances still existed in some areas despite the overall financial balance of the

province. More than 20 counties (cities) still had deficits, totaling more than 90 million yuan. This affected our financial potential to a serious extent. Fourth, restricted by our strained financial resources, the expenditures on agriculture, education, and science and technology lagged rather far behind the actual needs and were not satisfactory, although support was given them on a priority basis. Fifth, lax management and ineffective supervision still existed in financial work, and violation of financial and economic discipline was rather prevalent in various fields. The phenomena of waste and misuse existed at varying degrees in our financial revenue and expenditure. Governments at various levels should pay full attention to these problems, and conscientiously solve them in carrying out their future work.

## **2. We Should Implement the Principles of Economic Improvement and Rectification and of Financial Retrenchment, and Arrange Well the 1990 Financial Budget of the Province**

The province faces a very severe situation in arranging its financial budget in 1990. This is because, in line with the guidelines of the party Central Committee's decision on economic improvement and rectification, the state continues its policy of retrenchment in both finance and credit, and slows down to a proper extent the growth rate in industrial production. As a province that maintains an increase in revenue mainly through industrial growth, we will unavoidably be affected by this. As the state decided to increase "two proportions" (the proportion of the financial revenue of the central government in the total state revenue, and the proportion of financial revenue in the national income), our province faces a very arduous task because it should make contributions for the central authorities to increase their financial resources in addition to absorbing the factors for reducing the revenue and increasing the expenditure by itself. The state's decision to reduce step by step the special funds allocated to various provinces is bound to decrease our province's disposable financial resources, and will also make our province's financial situation even more strained. Another decision of the state to adjust the wages of the staff members and workers of enterprises, institutions, and administrative units beginning in the fourth quarter of last year and to give the staff members and workers a payment equivalent to their wages for 15 months this year will increase the expenditures of administrative units by approximately 200 million yuan. The increase of more than 800 million yuan in expenditure resulting from the wage adjustment of enterprises should be absorbed by enterprises themselves through improving their economic results according to regulations, but it will still greatly affect our finances. Adoption of these measures are totally necessary in order to enhance the macroeconomic regulation and control capacity of the central authorities, solve the current conspicuous problems, and attain the targets of the economic improvement and rectification. However, we will experience great difficulty in absorbing by ourselves the factors for such a large decrease in revenue and

increase in expenditure and feel great pressure in arranging and implementing this year's budget.

The year 1990 is crucial for improving the economic environment and rectifying economic order. The guiding ideology of making arrangements for the province's financial revenues and spending is to earnestly implement the spirit of the Fifth Plenary Session of the 13th CPC Central Committee and the fourth session of the sixth provincial party committee; to realistically do a good job in improving the environment, rectifying order, and deepening the reform drive; to deeply carry out the "campaign" of increasing production and practicing economy as well as increasing income and curtailing expenses; to correctly deal with the distribution relationship between the state and enterprises; to gradually enhance the capability of financial macrocontrol; to strictly bring various financial expenditures under control; to strive to maintain a balance between financial revenues and expenditures; and to actively make contributions to achieve the targets of completing the 383 projects and having science and technology make the province prosperous, to having the national economy achieve sustained, stable, and harmonious development, and to enable social peace gradually to take a turn for the better. In making arrangements for financial revenues, we have not only followed the principle of seeking truth from facts and of adopting positive and proper measures, but also have paid attention to the potential of turning losses into profits and of increasing revenues and curtailing expenditures. In making arrangements for expenditures, we have not only followed the principle of adopting strict and tightened measures, of doing what we are capable of, of dealing with each case on its merits, and of keeping some items and cutting some; but also have left some margin for coping with accidents. In addition to ensuring a certain increase in the funds of supporting agriculture, of science and technology, and of education, all expenditures, except for a few items being equal to the figure of last year, should show a five-percent decrease calculated in terms of comparable items over 1989.

The province's total financial revenue is 7.188 billion yuan, a 4.8 percent increase calculated in terms of comparable items over 1989. By excluding the settled accounts with the state, the total revenue available for the province is 6.791 billion yuan, a 6.2-percent increase calculated in terms of comparable items over the 1989 budget. The province's budget may maintain a balance between revenues and expenditures in the year. Major items arranged by the province for financial revenues and expenditures are as follows:

Of the total revenue, industrial and commercial tax revenues are 7.734 billion yuan, a 7.5-percent increase over 1989. Revenues earned from industrial production are 215 million yuan, the same as the 1989 figure. The province will enjoy no revenues from agricultural and livestock production this year but will appropriate 158 million yuan to make up their losses, a 17.5 percent increase in subsidies over 1989. This year's revenue from

commercial enterprises is 4.2 million yuan less than last year's, registering a deficit of 2.7 million. The province will also enjoy no revenues from grain enterprises, but appropriate 912 million yuan to make up their losses, showing a 12.5-percent increase over the 1989 losses. The agricultural tax revenues are 161 million yuan, a 12.6 percent decrease over 1989.

Major items arranged for the total expenditures budget are as follows:

The expenditures of capital construction are 274 million yuan, a five-percent decrease calculated in terms of comparable items over 1989.

The expenditures of tapping potential and conducting technical renovations are 193 million yuan, the same as the 1989 figure. Major attention has been paid to the items aimed at helping science and technology make the province prosperous.

The expenditures for supporting agricultural production are 291 million yuan, a five-percent increase over 1989. In releasing the funds in this regard in the year, the province strives to surpass the national average increase in this regard.

The expenditures for culture and education and public health are 1.61 billion yuan. Of these funds, that of education is 969 million, a five-percent increase over 1989. The increase would be 10 percent when allowing for wage increases and when including the extra funds for purchase control to be used in education. The expenditures for items will be equal to the 1989 figures.

The expenditures for three funds for science and technology are 45 million yuan, a 10 percent increase over 1989; and that of scientific and technological undertakings is 88 million yuan, also a 10-percent increase over 1989.

The expenditures for public security, procuratorial affairs, and of the people's courts are 265 million yuan, a four-percent increase over 1989.

The expenditures for subsidies for price hikes are 1.122 billion yuan, a 7.6-percent increase over 1989.

The expenditures for administrative management are 526 million yuan, a five-percent decrease over 1989.

The province has not taken into consideration the spending for the increase incurred by the units in charge of administrative affairs when funds were readjusted in the budgets at all levels.

A total of 180 million yuan of reserve funds is arranged by the province, of which 30 million yuan goes to the province and 150 million yuan to prefectures, cities, and counties.

Regarding the arrangements for the province's 1990 revenue and expenditure budget, explanations should be given to the following issues:



A. The issue on the growth rate of the province's revenue for this year. The draft budget makes arrangements for the revenue to increase by 4.8 percent over the actual amount of last year (Harbin city, which is arranged to increase by six percent, is excluded because it is a city with independent economic decisionmaking authorities). The rather low growth rate is arranged because consideration is given to the growth in industrial production, which should be "slowed down" in the process of economic improvement and rectification. When the industrial growth rate is reduced by one percentage point, our profits and taxes will decline by approximately 100 million yuan. We have to set a lower growth rate in the revenue because of this.

B. The issue on the growth rate of the budgetary expenditure of the province. The draft budget makes arrangements for the expenditure to increase by 9.7 percent over the budgeted amount of last year. When allowing for the wage adjustment of administrative units, the growth rate is 6.2 percent. It can be said that we have done our best to arrange such a growth rate under the circumstances of financial retrenchment and the need for contributing financial resources to the central authorities. Although such an arrangement lags far behind the demand for financial resources by various fields, the arrangement for financial expenditure has to be restricted by the growth rate in financial revenue. Such an arrangement calls for austerity, and it is hoped that all fields will understand this.

C. The issue on ways to ensure more growth in the expenditures on various key areas. In arranging the draft budget, although the greatest possible expenditures are arranged to support the key areas of agriculture, education, science and technology, the "383 project," and improvement of public security, they still lag rather far behind the demands of the areas concerned. However, restricted by financial resources, this is all we can do. We should focus our efforts to increase investment on making a success of our work. Through across-the-board activities to increase income and reduce expenses, we should strive to exceed our revenue increase quota by a fairly large margin, reduce the expenditures for ordinary purposes by a large margin, and create favorable conditions for increasing the expenditures on key projects when implementing the budget to make sure that our actual investment in key areas is a lower than the national average growth rate. Meanwhile, we should adopt necessary measures for funds distribution, exert more efforts to raise more funds through various channels in line with policies, improve the investment-making methods, and strengthen the work to keep track of the results to raise the efficiency in use of funds.

D. The issue on arrangements for reserve funds. Because the current overriding task is to stabilize the overall situation, arrangements for the financial budget should also be geared to the need of the task. In arranging this year's draft budget, in addition to guaranteeing as much as possible the expenditures on the key areas conducive to the stability of the overall situation, the provincial

government urges finance departments at various levels to adhere to the principle of achieving a balance between revenue and expenditures, and avoiding deficit financing when arranging their budgets, and leave some necessary leeway. The reserve funds at various levels should be first used in the urgent needs for coping with natural disasters and some accidents. First, they should not be used in advance and, second, they should not be used in ordinary projects. This should be regarded as a discipline for enforcement.

Meanwhile, this year, the state has assigned our province the tasks of purchasing 362 million yuan of treasury bonds, collecting 382 million yuan of energy, communications, and key construction funds, collecting 228 million yuan more of the budget regulatory fund, and contributing 122 million yuan to the central authorities. We should continue to display the spirit of taking the overall situation into account, overcome difficulties and make more contributions, and exert firm efforts to carry out the tasks to ensure the target of enabling the central authorities to increase their financial resources and enhance their ability for macroeconomic regulation and control is attained.

### **3. We Should Struggle To Successfully Fulfill the 1990 Provincial Financial Budget**

The whole province's financial and economic tasks for 1990 are very complicated and heavy. Governments at all levels should give prominence to grasping five major tasks:

First, we should focus our work on raising economic results and actively broaden the financial resources. 1) Through implementing the preferential financial policies and developing the role of taxes as the lever for regulating the economy, we should give emphasis to supporting large and medium-sized key enterprises to accelerate technological progress and increase financial revenues through increasing production, reducing expenditures, raising product quality, reducing consumption, and tapping potential to increase economic results. 2) We should continue to support the rational flow of the essential production factors and the optimization of organizations, tap the potential of the existing fixed assets, the manpower, and the financial and material resources, and gradually increase the number of state assets and raise the beneficial results of the output value by making flexible use of the "existing reserves." 3) We should firmly grasp the work of ending enterprise deficits. Governments at all levels and all departments should set fighting targets for ending deficits for various localities and fronts, implement the system of urging leaders to take full responsibility for ending deficits, and give priority to helping key industries and enterprises end deficits. We should put forward different requirements according to different situations. It is necessary to give fixed-quota subsidies to enterprises suffering deficits for policy reasons. No subsidies will be given to the above-quota deficits. We should set a time limit for enterprises suffering deficits for operational reasons to

end deficits and should stop giving them subsidies if they cannot end deficits within the set time limit. The above two methods should be simultaneously implemented in enterprises suffering deficits for both policy and operational reasons. We should also adopt measures and set a time limit for profit-making enterprises to end deficits in their money-losing products and to earn profits. As for enterprises that suffer deficits for a long time, have no hopes of ending deficits, incur more deficits when they produce more products and are in a state of completely or partly topping production, we should, in line with the relevant requirements of the State Council, properly solve the production and living problems of their workers, grasp the favorable opportunity of readjusting the industrial structure and product mix, and make up our minds to conduct readjustment. 4) We should clear up and consolidate the intermediate links and all sorts of unwarranted charges with an emphasis on deeply and thoroughly screening and reorganizing all sorts of companies, eliminating the phenomena in which the intermediate links make profits through exploitation, and draw the decentralized idle funds back to the state treasury. 5) We should strengthen the enterprise management work and increase revenues by strengthening management and improving economic results. 6) We should deeply carry out the campaign on "increasing production, practicing economy, increasing revenues, and reducing expenditures."

Second, we should strengthen the collection and management of financial and taxation work with a focus on increasing financial revenues. 1) We should collect taxes in line with the law, further rectify the order of collecting tax revenues, and prevent the occurrence of the phenomena of reducing or remitting taxes in a disguised form or by overstepping one's power or authority. At the same time, we should further strictly examine and approve tax reduction or remittance, effectively check or reduce tax evasion, and deal strict blows to those who refuse to pay taxes. 3) We should exert strenuous efforts to organize the revenue work. While persisting in guarding the normal revenues sources, we should lay emphasis in clearing up old debts and preventing new debts. We should make strenuous efforts to conduct activities on promoting production and increasing revenues, helping enterprises improve operation and management and raise economic results in an effort to expand the sources of taxes and increase financial revenues. 4) We should strengthen the collection and management of the agricultural taxes, taxes for the use of cultivated land, taxes for agricultural, forestry, and special products, funds for energy and communications projects, and budgetary regulation funds, strengthen management of all sorts of profits and income from collecting fines, allocate subsidies for enterprises incurring deficits in strict accordance with the law and plans, and guarantee a steady increase in financial revenues.

Third, based on the enforcement of the policy of curtailing expenses, efforts should be made to bring spending under strict control. Generally speaking, we

should, on the premise of bringing the total volume under control, uphold the principle of maintaining some items and curtailing some, giving priority to key items, and of curtailing general items. Bringing the total volume under control means to bring spending as a whole generally under the level of 1989 and within the scope that can be borne by the local financial strength. The focal points of maintaining some items and curtailing some are as follows: 1) We should uphold the principle of regarding self-reliance as primary and the state subsidies as subsidiary to ensure agricultural investment in order to score a greater increase and to vigorously upgrade the effect of utilizing the funds of supporting agricultural production. 2) We should ensure educational spending to score a greater increase. Except for the increase set forth by the budget, the rate of spending for the maintenance of urban schools will be more than four percent and the rate of additional education charges for urban areas will reach two percent. The special additional charges collected from the institutional purchases will all be used for developing education. 3) We should ensure spending for science and technology to score a greater increase. Efforts should be made to vigorously make arrangements for completely fulfilling the financial demands of having "science and technology make the province prosperous" so as to promote the existing scientific and technological results to be applied on a large scale to the production of agriculture and industry and to turn themselves into productive forces, social economic results, and financial revenues. 4) We should as much as possible have our financial strength provide the funds for 838 projects and for consolidating public security and meeting the needs of stabilizing the economy, commodity prices, and the whole situation. In enforcing the principle of keeping some items and curtailing some, our difficulty is in curtailing some. Only by undertaking something that we cannot easily do can we accomplish something. A) We should curtail spending on the projects of capital construction. Efforts should be made to readjust the investment structure and to upgrade the proportion of funds used for building the urgent and key items of energy resources and communications and for having "science and technology make the province prosperous." Meanwhile, by conducting strict appraisals and examinations as well as by carrying out policy guidance, we should orient a number of funds outside the budget, which have been used for the investments in fixed assets and consumption production, to the use of agriculture and science and technology. B) We should curtail the expenses of administrative management. The emphasis in this regard should be placed on streamlining the organs and on dealing with the spending problems of overstuffed units; of maintenance funds; of purchase funds; of car consumption funds; and of consolidating, removing, and merging various cadre institutions, societies, associations, centers, and temporary organs. By persistently enforcing the method of conducting supervision over the administrative funds of subordinate units and of setting up fixed volume for the fixed number of personnel, efforts should be made to

encourage subordinate units to create incomes and curtail their expenses to ensure their managerial fund of administrative affairs to be effectively curtailed. C) We should curtail the social institutional purchasing power. Efforts should be made to continuously enforce the measure of integrating administrative methods and economic means with disciplinary restrictions; to uphold the methods of bringing the total volume under control, giving priority to key items, having leading personnel be responsible for the funds, and of commending those who have saved funds and punishing those who have wasted the funds; to resolutely implement the demand set by the provincial party committee with regard to refraining from renewing the official equipment and from buying additional cars; and to create conditions for saving funds and bringing the increase of consumption funds under control. D) We should curtail all other flexible expenditures. Efforts should be made to vigorously carry forward the fine tradition and work style of waging an arduous struggle, practicing economy, and of engaging in all undertakings industriously; and to do things suitable to their financial strength, spending money in signing contracts, and saving funds and refraining from surpassing the quota. We should basically suspend temporary expenses and expenses that will be incurred all at one time. The financial situation in the year will certainly be strained and various social circles must make full preparations ideologically. Some meetings may be cut or suspended if necessary and the use of official sedans may also be suspended or cut. Some official trips may be suspended or cut and the repair of some buildings may be put off. Some good deeds done for the people may also be suspended or put off. We should realistically and truly live a tightened life in the next few years.

Fourth, we should continue to deepen the financial reform to enhance the capacity of readjusting and controlling the macroeconomy. This is an effective way of persistently applying policies to arouse enthusiasm for managing financial affairs from all fronts, increasing revenues, and reducing expenditures. 1) We should deepen the reform of the financial systems. According to the principle of advocating advantages, eliminating disadvantages, and making improvements in a step-by-step manner; and based on the current financial systems of the province assigning progressive profit increase (subsidy decrease) quotas to some prefectures, cities, and counties, and of letting localities assume responsibility for their own revenues and expenditures, we should explore new ways to further arouse the enthusiasm of various levels for self-reliance to strike a balance between revenues and expenditures and to enable the governments at various levels to develop production, strengthen financial resources, and enhance reserve strength. 2) Persistently in line with the policy of making the grass roots rich, we should give different instructions and support to the counties with subsidies, the counties with 100 million yuan of revenues, the counties with 50 million yuan of revenues, and the counties with deficits, so as to enable the counties with subsidies to "remove the label of accepting subsidies," the counties with 50

million or 100 million yuan of revenues to attain their revenue targets as soon as possible, and the counties with deficits to gradually eliminate deficits. We should further strengthen the construction of town and township financial departments, expand the scale of management, formulate the method of establishing township-level state treasuries, promote the general establishment of town and township state treasuries, and strive to make the town and township financial departments comprehensively display their functions for managing, supervising, serving, and enlivening the rural commodity economy. 3) We should deepen the enterprise financial reform and further perfect the contracted management system. The enterprises whose contract base figures and progressive increase figures are comparatively low should appropriately readjust the figures. Industrial and commercial enterprises should reform, on a trial basis, the after-tax contract work and the work of repaying loans after paying taxes and strive to explore new ways for carrying out the contract systems. 4) We should consolidate and reform the method of price subsidies and gradually lighten our financial burdens. On the premise of ensuring that the people's livelihood is basically not affected, we should sort out and consolidate the financial work and comprehensively solve the problems of expanding the scale of subsidies, upgrading the standards for subsidies, and making false applications and claims. We should reduce financial subsidies in the course of rectifying the confused phenomena and gradually reduce the proportion of subsidies in expenditures.

Fifth, we should focus on strengthening the management of the budget and strictly enforce financial discipline. This is an important content of improving the economic environment and rectifying the economic order, an objective demand for deepening reforms, and an important guarantee for accomplishing the financial tasks. 1) We should vigorously intensify the budget restrictions. We must not arrange deficits in the budget nor increase expenditures in the course of implementing the budget. 2) We should vigorously strengthen the management of extrabudgetary funds, expand the scale of special deposits and planned management, accurately guide the usage of funds, and increase the results from the use of funds. 3) We should unswervingly and generally conduct tax, financial, and pricing inspections; and inspect the enforcement of purchasing-control discipline. We should be sure to link regular supervision with regular inspections, combine the work of handling undisciplined problems with that of investigating and handling discipline aggressors, and link enterprises' fulfillment of the assigned targets with the assessment of enterprises' financial and accounting personnel. It is necessary to resolutely wage the struggle against the activities of violating financial and economic discipline, such as obtaining revenues, scattering funds, creating losses, and indulging in waste. We should continue to check and consolidate "small treasuries" and staff and workers' debts; and strive to make breakthroughs in investigating and handling privately established "small treasuries," privately dividing state funds, and withdrawing staff and



workers' debts. To enable tax collectors to enforce their public duties according to law and to investigate and handle major tax evasion cases on a timely basis, the provincial government drew up a plan to establish tax inspection offices under the tax bureaus at or above the county and district level. Meanwhile, we should fully display the functions of the teams in charge of checking tax evasion cases, strengthen their forces, and attend to investigating and handling the cases that have been reported and the major and appalling tax evasion cases so as to close loopholes, reduce tax evasion, and increase revenues.

To ensure that this year's financial budget is implemented smoothly, we should also carry out the "four guaranteeing measures":

First, we should thoroughly carry out the "financial balance guarantee project" for the financial budget, and persistently use advanced and scientific managerial methods and organizational forms to ensure the fulfillment of the financial task. Governments at various levels should further clarify the guiding thought and work targets for "guaranteeing financial balance," divide the targets to give prominence to the key areas, strengthen organizational leadership over the project, and mobilize and rely on the forces of various quarters to ensure a success in fulfilling the tasks for the budget of the province.

Second, we should greatly intensify investigations and study to solve the conspicuous problems in financial and economic work in a timely manner. Because this year's financial and economic situation is complicated, we should go deep into the reality of life to conduct investigations and study to solve the many difficulties and problems we are faced with, so that our policymaking can be more correct and our efforts to solve problems more effective. Governments at various levels should conscientiously improve their leadership methods and work styles, devote more time to the grass-roots levels, and put forward effective measures to counter problems. In particular, they should adopt measures to solve such difficult problems as controlling deficits, straightening out subsidies and reducing administrative expenses, and striving for new progress in this endeavor.

Third, we should give wide publicity to austerity and mobilize the masses to suggest ways and means to increase revenues and reduce expenditures. To enable all fields to have a better understanding of financial work, render support to it, and have more initiative in overcoming difficulties and practicing austerity, the provincial finance department and the HEILONGJIANG RIBAO have jointly opened a special discussion column on increasing revenues and reducing expenditures on the provincial newspaper since the beginning of this year. It is hoped that people from the various circles of the province will actively participate in this discussion, emancipate their minds, and work out ways to make

more contributions to increasing revenues and reducing expenditures, and to successfully fulfilling the tasks for this year's financial budget.

Fourth, we should greatly strengthen efforts to build the spiritual civilization in finance and tax departments to provide a strong political guarantee for fulfilling this year's financial task. Fulfillment of this year's financial task requires the efforts of governments at various levels and the close coordination by all fronts, but finance and tax departments shoulder a direct and major responsibility for it and, therefore, particularly need a contingent of cadres who are both Red and expert and who can pass the stiffest tests. Financial and tax cadres should have a stronger political sense and sense of respect for the overall situation and discipline. Finance and tax departments should step up efforts to build the spiritual civilization, comprehensively improve the quality of financial and tax cadres, raise their awareness in handling money matters impartially and remaining clean and honest in rendering service, and provide political, ideological, and organizational guarantees for the smooth fulfillment of the financial task.

#### Deputies:

The year 1990 is the first year of the 1990's, and fulfillment of the tasks for this year's financial budget has a particularly important significance. We should mobilize the people of various nationalities throughout the province, rely on the correct leadership of the provincial party committee, meet the various requirements of the state, raise our spirit, maintain plain living and hard struggle, conquer difficulties, work in a down-to-earth manner, and make new contributions to fulfilling the tasks for the budget decided on at this session, attaining the scheduled targets for the endeavor of improvement, rectification and in-depth reform, and facilitating a healthy development in our province's economy.

#### Heilongjiang People's Court Work Report

SK0505033590 Harbin HEILONGJIANG RIBAO  
in Chinese 10 Mar 90 p 7

["Excerpts" of report on the work of the Heilongjiang Provincial Higher People's Court given by Tang Lanting, president of the Heilongjiang Provincial Higher People's Court, at the third session of the seventh Heilongjiang provincial People's Congress on 4 March 1990]

[Text] In 1989, the people's courts at all levels throughout the province conscientiously carried out their duties and responsibilities entrusted to them by the Constitution and the law. During the past year, we accepted and heard a total of 152,389 cases of all descriptions, an increase of 34.8 percent over the previous year; and concluded 153,016 cases (including cases left over from the previous year), an increase of 37.4 percent. Through conducting trials, we dealt strict blows to serious criminal offenses and economic crimes in line with the law, safeguarded the legal rights and interests of

citizens and the legal persons, and played an active role in maintaining social stability and safeguarding and promoting the smooth progress of improvement, rectification, and deepening of reform.

### **1. We Comprehensively Strengthened All Judicial Work**

A. We strictly punished serious criminal offenses and maintained social stability. The people's courts at all levels throughout the province carried out their work under a strained social security situation, and gave heavy and quick punishment to criminals who seriously harmed social security in line with the law. We accepted and heard 15,624 criminal cases of the first instance, an increase of 21.8 percent over the previous year; and concluded 15,598 cases, an increase of 21.8 percent. We sentenced 16,552 criminals whose verdicts were final with no chance of appeal, an increase of 23.8 percent.

We also dealt strict blows to serious economic criminal activities in line with the law and deepened the anticorruption struggle. We accepted and heard 2,311 economic cases on corruption, bribe-taking, profiteering, and speculation, an increase of 32.6 percent over the previous year; and concluded 2,289 cases, an increase of 35.6 percent over the previous year. We sentenced 2,576 criminals whose verdicts were final with no chance of appeal, an increase of 28.2 percent.

After the party Central Committee had adopted resolute measures to halt disturbances and quell the counterrevolutionary rebellion and had achieved a decisive victory, we tried some criminal cases that occurred in our province during the disturbances in line with the law. We openly tried cases of this category which had been brought to the court for prosecution in line with the law.

B. We used legal means to regulate the relations in various economic sectors, and guaranteed and promoted a steady economic development. We accepted and heard 29,842 economic disputes, an increase of 69 percent over the previous year, which was higher than the national figure by 28.9 percent; and concluded 29,839 cases, up 72.8 percent. These lawsuits involved a sum totalling 890 million yuan.

C. We tried many civil cases and safeguarded the people's democratic rights and their legal rights and interests in line with the law. We tried 96,252 civil cases of the first instance, an increase of 31.1 percent; and concluded 96,841 cases (including leftover ones), an increase of 33.8 percent.

D. We strived to carry out administrative trials and prepared for the implementation of the administrative procedure law. We accepted and heard 430 administrative cases of the first instance, an increase of 39.2 percent; and concluded 437 cases (including leftover ones), an increase of 53.3 percent.

E. We strengthened the work on lawsuits and appeals and did a good job in giving adjudication supervision. We accepted and handled more than 260,000 lawsuits,

appeals, and letters and visits from the people, a decline of 7 percent from the previous year, of which 125,000 were lawsuits and 19,000 were appeals. In line with the principle of seeking truth from facts and correcting all that is wrong, we reexamined 3,229 cases in line with the adjudication supervisory procedure, of which the original verdicts of 1,932 cases were maintained and that of 670 cases were changed. Thus, wrong court decisions were straightened out and the sanctity of the law was safeguarded.

### **2. We Strengthened the Building of Contingents and the Grass Roots**

A. We strengthened ideological and political work. The courts at all levels throughout the province focused their work on building the ranks of people's judges who are strong in political awareness, good in professional skills, lofty in moral character, and strict in work style, fostering the fine work style of working unitedly and diligently, performing one's duty justly and honestly, enforcing the law strictly, and serving the people, and extensively and deeply carried out the activities on building spiritual civilization. At the end of 1989, the provincial party committee and the provincial government named the courts throughout the province an advanced organization in building civilized units.

B. We firmly grasped the building of clean politics. According to incomplete statistics, during the past year, 6,734 cadres and policemen of courts at all levels declined gifts and bribes worth a total of 1.02 million yuan, 16,000 persons declined entertainments, and 14,000 persons refused to plead for mercy for other people. This showed that most of the court cadres and policemen were clean and honest and that they enforced law impartially. Some persons, however, could not stand the test. They engaged in corruption and bribery and bent the law for the benefits of relatives and friends. Twenty-six cadres and policemen were given party disciplinary, administrative disciplinary, and criminal sanctions, accounting for 0.25 percent of the total number of cadres and policemen.

C. We persisted in doing a good job in the educational training for cadres and policemen. By the end of last year, the number of cadres and policemen who received college law education rose from 1,850 in the previous year to 2,066, which accounted for 49.2 percent of the total number of cadres and policemen, 34.9 percent of whom received law education above the college level.

D. We achieved a fairly big progress in building people's courts. On the basis of "building one court in every three townships," we devoted two years to attain the goal of "building one court in every two townships." The whole province now has 811 courts.

### **3. We Actively Strengthened Law Enforcement Work and Guaranteed the Implementation of All Laws and Resolutions and Decisions of the Provincial People's Congress and Its Standing Committee**

A. We conscientiously implemented the "Decision of the Provincial People's Congress Standing Committee on Strengthening the Work of the People's Courts," and strengthened our court work. In December 1988, the provincial People's Congress Standing Committee heard and discussed a report on the implementation of the work of the provincial People's Court, and worked out the "Decision on Strengthening the Work of the People's Courts." Eighteen intermediate people's courts and 139 grass-roots courts throughout the province built tribunals to carry out the work with 561 marshals. We conducted a general checkup on the cases accumulated over the past few years. So far, the number of old cases under execution and the newly-accepted cases to be executed has reached 66,825, which accounted for 92 percent of the total number of cases that should be executed. The money involved reached 680 million yuan. This made most of the persons involved to voluntarily carry out their legal adjudications.

B. We conscientiously carried out the general law enforcement inspection work and raised the law-enforcement level. Last year, in line with the decision made at the 10th joint meeting of "the government, the People's Court, and the People's Procuratorate" held by the provincial People's Congress Standing Committee, and the plan formulated by the provincial People's Court at the beginning of the year, courts at all levels, from May to September, universally dispatched more than 2,000 judicial officers, headed by their responsible court presidents, to look up nearly 50,000 cases of all descriptions. During the inspection of 6,436 criminal cases, the accuracy rate of enforcing the Law of Entity [shi ti fa 1395 7555 3127] and the Procedural Law rose by 1 and 4.7 percent respectively over the previous year. Through inspection, we changed the verdicts of some misjudged cases in line with the law, and strictly investigated and handled those persons who violated law and discipline and who abused the law while giving judgment.

During the past year, under the leadership of the party committees at all levels and the supervision and support of the people's congresses and their standing committees, courts throughout the province achieved certain achievements in judicial work and in self-cultivation. However, some problems still existed. The most prominent: ones were the contradictions between the annual large increase in cases and the serious shortage of judicial forces, and between strict law enforcement and great difficulties in enforcing law, and the contradictions in which the quality of cadres and policemen was seriously incompatible with the heavy judicial task. These problems restricted the judicial organs to display their various judicial functions and role. The fifth plenary session of the 13th party Central Committee issued a decision on "Further Improving the Economic Environment, Rectifying the Economic Order, and Deepening Reform." The

fourth plenary session of the sixth provincial party committee formulated a plan to implement the decision of the fifth plenary session, and put forward a series of important measures.

As an important component of the state apparatus of democratic dictatorship, the courts, through conducting trials, should use law as a weapon to guarantee a long period of order and stability in our country and to make long-term painstaking efforts. This year, the general requirements for the court work are to guarantee social stability, promote economic development, strengthen the building of contingents, raise the level of law enforcement, and serve the campaign of improvement, rectification, and deepening of reform and the long-term sustained, steady, and coordinated economic development.

First, we should implement the guidelines of the fourth and fifth plenary sessions and of the fourth plenary session of the sixth provincial party committee in all trials. It is necessary to proceed from the overall situation of guaranteeing social stability while carrying out all judicial work.

In the criminal trials, we should conscientiously implement the overall fighting plan of the provincial party committee and the provincial government on improving social security. In the struggle of rectifying social security, courts at all levels should adhere to the principle of giving heavy and quick blows to criminals, deal strict blows to serious criminals who are guilty of murder, robbery, rape, and major thefts, strictly punish criminals guilty of the "six vices" in line with the law, hold rallies to make judgment in a timely manner, concentrate efforts on dealing blows to certain special cases, and maintain the prestige of "dealing strict blows." We should conscientiously implement the persistent policies of combining strict punishment with lenient treatment and giving lenient punishment to those who frankly confess their crimes and strict punishment to those who refuse. In accordance with the circular issued for the provincial judicial and public security organs on setting a deadline for criminals to turn themselves in, we should give lenient punishment to those criminals who deserve lenient punishment and strict punishment to those who deserve strict punishment in line with the law. Continued efforts should be made to deal strict blows to serious criminal activities in the economic sphere, deepen the anticorruption struggle, and persist in strictly punishing criminals who are guilty of corruption, bribe-taking, profiteering, speculation, tax evasion, and refusing to pay taxes in line with the law and who seriously disrupt the economic order. Those economic criminals guilty of corruption and bribe-taking who turn themselves in or who have been ferreted out within the deadline set in the circular jointly issued by the Supreme People's Court and the Supreme People's Procuratorate should be given lenient or strict punishment according to the seriousness of the cases in line with the stipulations of the circular. After the circular expires, we should strictly punish those who refuse to turn themselves in



and frankly confess their crimes and who continue to commit crimes. We should do a good job in trying criminal cases which occurred during the disturbances.

In civil trials, we should focus the work closely on the campaign of improvement, rectification, and deepening of reform, further comprehensively implement the general rules of civil law, correctly handle disputes on marriage, family, debts, compensation, housing, land, water resources, forests, residential areas and some new cases on copyright, and the right to protect one's reputation and image, safeguard the legal rights and interests of citizens and the legal persons, and punish illegal acts.

In economic trials, we should aim at promoting economic stability and development, and give priority to trying cases that are closely related to the drive of improvement, rectification, and deepening of reform in accordance with the law and policy stipulations.

Those who take advantage of the opportunity of reform and use contracts to cheat funds and engage in illegal business, and those who forget all moral principles at the sight of profits, who do not honor the contracts which lead to a vicious cycle of tangling up the funds and creating economic disputes and disrupting the normal production and circulation order, must be punished in line with the law with resolute efforts. Those whose acts constitute a crime must be called to account in line with the law.

In administrative trials, while trying all sorts of administrative lawsuits, we should further fully prepare for the implementation of the administrative procedure law which will be put into practice this year in terms of our ideology, organization, and trials.

In handling lawsuits and appeals, we should proceed our work from stabilizing the overall situation, help the masses to eliminate misgivings and difficulties, and promptly file for investigation the lawsuits and appeals given by the persons concerned if the cases are in conformity with the trial requirements.

Second, we should further strengthen the building of contingents, raise the political and professional levels of cadres and policemen, strengthen ideological and political work, organize cadres and policemen to conscientiously study the Marxist philosophy and the theories on the country and law, raise our political theoretical level, strengthen our awareness of adhering to the four cardinal principles and opposing bourgeois liberalization and persist in maintaining unity with the party Central Committee. We should pay great attention to and realistically grasp well the building of clean politics, persist in running the courts strictly, and educate cadres and policemen to be honest and self-disciplined and to enforce the law justly. We should also vigorously commend cadres and policemen who set examples in strictly enforcing law and strictly investigating and handling law and discipline violations.

Third, we should persist in strictly enforcing law and raise the level of law enforcement. This year, we should further solve the problems of having difficulties in enforcing law and enable the province to enforce the sentences as soon as the cases are concluded. On the basis of instituting the general inspection on law enforcement, we should continue to persist in deepening the inspection work. It is necessary to conscientiously implement the open trial system, openly try all cases that should be openly tried in line with the law, display the functions of court trials, stress the role of the collegiate bench as the basic organizational form for trying cases, comprehensively promote the system of urging the persons concerned to produce evidences, make public court trial investigations, inquiries into the evidences, debate, and judgment, and raise the quality of open trials.

Fourth, we should consciously accept supervision from the people's congresses and their standing committees. Courts at all levels should report their work every year to their people's congresses, and receive comprehensive supervision from them. They should submit special reports to the People's Congress standing committees, receive their supervision on law and decree enforcement, conscientiously handle motions, criticism, and suggestions raised by deputies, and the cases entrusted to them by the people's congresses, take regular supervision from them, report their work to deputies and leaders of the people's congresses who go deeply to the courts to inspect the work and receive direct supervision from them.

### **Liaoning People's Congress Work Report**

SK0705034590 Shenyang LIAONING RIBAO  
in Chinese 14 Mar 90 p 2

[Work report "excerpts" by Zhang Tiejun, chairman of the provincial People's Congress Standing Committee at the third session of the seventh provincial People's Congress on 9 March 1990]

[Excerpts] Fellow deputies: I, mandated by the Seventh Liaoning Provincial People's Congress Standing Committee, would like to deliver a report at this session for examination.

The one-year period since the conclusion of the second session of the seventh provincial People's Congress in March 1989 has been an unusual stage in our national history. By regarding the spirit of the Third, Fourth, and Fifth Plenary Sessions of the 13th CPC Central Committee during the period as guidance, the provincial People's Congress Standing Committee has implemented the resolutions adopted at the second session of the seventh provincial People's Congress and has earnestly exercised the function and power imposed on it by the constitution in line with the arrangements made by the provincial party committee and by regarding as central tasks the programs of improving the economic environment, rectifying economic order, deepening the reform drive, and of safeguarding stability and unity. During the one-year period, it has held six meetings of its

Standing Committee, at which the participating members have discussed, formulated, revised, and approved 13 local rules and regulations. They have also approved two resolutions and the personnel changes of 108 local state apparatus officials. The provincial People's Congress Standing Committee has conducted inspection over law enforcement throughout the province, directed the end-of-term election of deputies to the People's Congresses at county and township levels, and has actively conducted various work to safeguard the social stability and to promote the program of conducting reform and construction.

### **1. We Have Combated the Disturbance by Taking a Clear-Cut Position and Safeguarded Stability and Unity**

The counterrevolutionary riot that occurred in Beijing Municipality at the turn of spring and summer last year represents a severe political struggle which has a vital bearing on the life and death of the party and the country. During the struggle, the provincial People's Congress Standing Committee earnestly organized its personnel and the cadres of its subordinate organs to study the relevant documents and consciously acted in unison ideologically and politically with the CPC Central Committee by regarding the task of protecting the constitution as its duty. [passage omitted]

After experiencing the struggle against the disturbance and the Beijing counterrevolutionary riot, we have further discerned that the four cardinal principles are the foundation of building the country, and the guideline of upholding the four cardinal principles has gone into the Constitution. Negating the four cardinal principles means to fundamentally negate the Constitution. In waging such an important political struggle, local standing committees of the People's Congress must, under the party's leadership, safeguard the prestige of the Constitution and the law; uphold the four cardinal principles by taking a clear-cut stand; and oppose to bourgeois liberalization.

### **2. We Have Carried out Local Legislative Work To Meet the Needs of Conducting Reform and Construction**

During the past year, the legislative work of the provincial People's Congress Standing Committee has been carried out in line with the principle of adopting an active attitude and cautious measures and by proceeding from the province's need of conducting reform and construction. It has discussed and approved the "measures" formulated by Liaoning Province on enforcing the "PRC Law" on assembly and street demonstration in order to protect citizens to correctly perform their rights of assembly and street demonstration and to safeguard social stability and public order. In coping with the current problem in which the equipment of post and telecommunications as well as of radio and television broadcasting has been repeatedly damaged, which has interfered with the social stability, the Standing Committee has formulated the "acts" of Liaoning Province in managing the post and telecommunication facilities and

revised the "acts" of the province in protecting and managing the radio and television broadcasting facilities. In line with the motion offered by the deputies with regard to legalizing the acts of protecting reservoirs and water sources used by the mass production areas in order to ensure the supply of both industrial and potable water to the cities of Shenyang and Fushun, the Standing Committee has discussed and approved the "trial acts" of the province in protecting reservoirs and water sources used by the mass production areas. It has discussed and approved, in line with the motion offered by deputies for legalization, the "acts" of the province in preventing low-quality births in order to help our nationalities become prosperous and to upgrade the people's health level. It has also discussed and approved several local rules and regulations as well as specific acts. All of these have reflected the spirit of improving the environment, rectifying order, and deepening the reform drive; they have also been favorable for improving the economic environment and safeguarding social stability. The Standing Committee has also made a great deal of preparatory work for the province to formulate or revise the rules and regulations in the next period.

### **3. We Have Conducted Inspection Over Law Enforcement and Promoted the Enforcement of the Law as Well as Rules and Regulations**

In conducting legal supervision during the past year, the provincial People's Congress Standing Committee has mainly carried out inspection over law enforcement. The inspection has lasted for a very long period and had a large number of personnel involved in it. Its scope has been the most extensive and its achievements have also been remarkable. The inspection operation across the province came to a close at the end of November last year. [passage omitted]

By conducting inspections over law enforcement, the Standing Committee has initially learned about the current situation of law enforcement. The inspection data has shown that a large number of laws and rules and regulations issued by the state have not been earnestly enforced and that there are phenomena in which the law has not been followed or not been strictly enforced in doing things, and there have been cases violating the law that have not been dealt with. Through conducting an inspection of law enforcement, the Standing Committee has further enhanced the sense of the broad masses of cadres and people, particularly of leading cadres and personnel in charge of law enforcement, in observing the law. [passage omitted]

### **4. We Have Enhanced the Work of Conducting Supervision and Promoted the Programs of Improving the Environment, Rectifying Order, and Deepening the Reform Drive**

In line with the spirit of the Third, Fourth, and Fifth Plenary Sessions of the 13th CPC Central Committee and the arrangements made by the provincial party

committee during the past year, the Standing Committee has enhanced its work of conducting supervision in the following two areas:

A. We have conducted supervision of the major work that can exert great influence on the province's economic development. First, we have enhanced the supervision over the implementation of economic plans and financial budgeting during the year. [passage omitted] Second, we have conducted supervision over the agricultural problems which have a vital bearing on the development of the national economy in the province and the important issue of relying on science and technology to make the province's economy prosperous. [passage omitted]

B. We have enhanced the supervision of some problems for which the people have generally shown concern. [passage omitted]

Liaoning is a multinational province and its population of minority people ranks the province fifth in the country in this regard. In order to earnestly implement "the PRC Law of Regional Autonomy of Minority Nationalities" during the past year, the Standing Committee has successively gone to the cities of Fushun and Fuxin and the autonomous counties of Xinbin and Fuxin to inspect the implementation of the law. At the ninth meeting of the provincial People's Congress Standing Committee, the participating members discussed and approved the "acts" of popularizing Mongolian language in the Fuxin Mongolia Autonomous County. It also held the meeting of chairmen from various city People's Congresses to implement the spirit of the national conference of chairmen of the People's Congress in various provinces, municipalities, and autonomous regions, which has promoted the unity of the people of various nationalities across the province and the mutual prosperity and development among various nationalities.

#### **5. We Have Done a Good Job in Directing the End-of-Term Election of Deputies to the People's Congresses at County and Township Levels and Promoted the Building of Political Power**

The province began its end-of-term election of deputies to the People's Congresses at the county and township levels in October 1989. As of 5 March this year, of 100 counties (city districts) across the province, 96 elected their deputies to the People's Congresses at county (city districts) and township levels; and 54 counties (city districts) and the 90 percent of the total townships (towns) of the total convened the first session of their first People's Congress, at which they elected the leading personnel of the local state apparatus at county and township levels. The end-of-term election has been estimated to be completed at the end of March this year and represents a big event in the province's political life. A success in this election is quite important for the province to enhance the building of political power at grassroots levels and to consolidate and develop the political situation of stability and unity.

As for the end-of-term election, party committees at all levels have paid great attention and regarded the election as an important part of their daily schedule. The Standing Committee of the county-district People's Congresses has spared no effort in the election and the city People's Congresses has had their first or second responsible comrades grasp the election which has enabled the broad masses of cadres and people to receive the practical education of socialist democracy and legal systems. Thus, the sense of citizens and of responsibility in being the masters of their own affairs has been further strengthened. [passage omitted]

#### **6. We Have Perfected the Working System and Enhanced Our Self-Improvement**

Enhancing the self-improvement of the People's Congress Standing Committee represents one of the necessary conditions for improving the systems of the People's Congress. During the past year, the Standing Committee has enhanced its self-improvement in the fields of ideology, organization, and systems. In order to perfect the systems of the People's Congress, the Standing Committee, in line with the stipulations of the Constitution and the Local Organic Law, by referring to the method and experience gained by our fraternal provinces, and through fully conducting deliberations and consultations, has suggested the third session of the seventh provincial People's Congress to establish the special committees of civil affairs, judicature, finance, the economy, the rural economy, education, science and technology, culture, public health, nationalities' affairs, and of Overseas Chinese affairs. It has also conducted the preparatory work for the establishment. [passage omitted]

During the past year, the Standing Committee has enhanced the study on the basic theories of Marxism-Leninism-Mao Zedong Thought and organized in a timely manner its officials and the cadres of its subordinate organs to earnestly study the documents adopted at the Third, Fourth, and Fifth Plenary Sessions of the 13th CPC Central Committee; the important speeches made by Comrade Deng Xiaoping on several occasions; and the important speech by Comrade Jiang Zemin at the 40th anniversary of the PRC's founding. It held four study classes of various specialized courses, at which the trainees studied and mastered the necessary legal knowledge and upgraded their understanding on the importance of upholding the four cardinal principles and of improving the people's congress system.

In reviewing the work done in the past year, although the Standing Committee has done a great deal of work, compared with the function and power imposed on it by the Constitution and with the demand of the people, it still has work gaps, which mainly are as follows: It should further improve or enhance its legislative and supervisory work conducted by performing its function and power in line with the program of improving the environment, rectifying order, and deepening the reform drive. The measure of carrying out the group activities of



deputies has not been implemented sufficiently. Inspection conducted by deputies should be further improved. It has not sufficiently inspected the law enforcement conducted by the provincial level organs and leading cadres, and the handling of serious cases exposed during the inspection should be further supervised or investigated. Its self-improvement in the fields of ideology, organization, and systems should be further enhanced. The ideological and political work conducted among organs should be also further strengthened.

Fellow deputies: The year of 1990 is the first year of the 1990's. Under the changes in the international situation, we are again facing some difficulties and problems that require us to closely rally around the CPC Central Committee, by regarding as guidance the spirit of the Fourth and Fifth Plenary Sessions of the 13th CPC Central Committee and under the leadership of the provincial party committee to unite as one; to pool the wisdom and efforts of everyone; to heighten our spirit, to overcome the difficulties; and to win still greater victories in building the socialist modernization, conducting reform, and opening to the outside world. In the new year, the Standing Committee, on the premise of ensuring the staunchness of the party's leadership and by regarding as an important task the work of further improving the people's congress system, should further enhance the liaison work with deputies; bring the role of the people's deputies into play; realistically enhance its legal and work supervisions, better exercise its function and power imposed on it by the Constitution and the law; promote the building of socialist democracy and legal systems; and should make still greater contributions to building the socialist modernization across the province, conducting reform, and opening the province to the outside world.

#### **Liaoning CPPCC Conference Work Report Viewed**

SK0405234790 Shenyang LIAONING RIBAO  
in Chinese 11 Mar 90 p 2

["Excerpts" of the report on the work of the Standing Committee of the Sixth Liaoning Provincial Committee of the Chinese People's Political Consultative Conference (CPPCC), delivered by Yue Weichun, vice chairman of the provincial CPPCC committee, at the third session of the sixth provincial CPPCC Committee on 4 March 1990]

[Excerpts] Fellow members:

On behalf of the Standing Committee, I hereby deliver a report on the committee's work to the third session of the sixth provincial CPPCC committee for examination and discussion.

#### **I.**

A whole year has lapsed since the convocation of the second session of the Sixth Liaoning Provincial CPPCC Committee last March. Over the past year, under the leadership of the Liaoning Provincial CPC Committee,

the Standing Committee of the provincial CPPCC committee has united the people of all nationalities, and various democratic parties, people's groups, and patriotic figures without party affiliation throughout the province so that they could conscientiously exercise political consultation and democratic supervision in line with the central task of maintaining stability and unity, stabilizing the society, improving the economic environment, rectifying the economic order, and deepening the reform; and has done a great deal of work and scored great achievements in consolidating and developing the patriotic united front, building the socialist material and spiritual civilizations, strengthening the building of the socialist democracy and legal system, establishing contacts with the people residing abroad, and promoting the reunification of the motherland. Here, I would like to report the major work as follow:

A. We have opposed bourgeois liberalization in a clear-cut manner and made great effort to maintain political stability and unity.

Maintaining the stability and unity of the country represents the basic interest of the people of all nationalities throughout the country. It is the prerequisite for smoothly building the socialist material and spiritual civilizations, carrying out reform, and opening to the outside world. It is also the major political task of CPPCC organizations. During the turmoil and the counterrevolutionary rebellion, which broke out in Beijing last spring and summer, the provincial CPPCC committee, in line with the important disposition of the CPC Central Committee and the Liaoning Provincial CPC Committee, convened in a timely manner meetings of chairman and vice chairmen and study meetings and forums of members, and also invited CPPCC members, democratic parties' members, and patriotic figures on various circles to attend these meetings and forums. At these meetings and forums, participants conscientiously studied the editorial of the 26 April issue of RENMIN RIBAO, important speeches of leading Comrades Deng Xiaoping, Yang Shangkun, and Li Peng, and the guidelines of pertinent meetings. As a result, they distinguished right from wrong; enhanced their understanding; definitely expressed their attitude of supporting the correct policy decisions of the CPC Central Committee and their determination of standing together with the CPC through thick and thin and sharing honor or disgrace with the CPC; and produced a fine political and social impact on all circles of the province. [passage omitted]

During the period of turmoil and rebellion, the overwhelming majority of members stood fast at their posts, positively attended to their work, and waged struggle against erroneous speeches and actions that violated the four cardinal principles. [passage omitted]

B. We have offered advice and suggestions for improving the economic environment, rectifying the economic order, and deepening the reform, around the central work of the party.

The second session of the sixth provincial CPPCC committee defined the 1989 central task as supporting party committees and governments to successfully improve the economic environment, rectify the economic order, and deepen the reform. Over the past year, we have convened many forums and seminars in line with this central task, with the participation of 1,124 members. At the same time, we have organized special investigations for 20 subjects, thus offering many opinions and suggestions for invigorating large and medium-sized enterprises, for developing the economy and culture of minority nationalities areas, for conducting scientific research for the foundation of agriculture, for controlling the scale of capital construction, and for controlling market prices, all of which are major issues in stabilizing the economy, the society, and the people's livelihood. [passage omitted]

C. We have strengthened the study of current political events and energetically promoted the building of the socialist spiritual civilization.

Supporting party committees and governments to successfully build the socialist spiritual civilization is an important task of the CPPCC. Over the past year, we have attended to the following items of work in this regard:

First, we have helped CPPCC members and personages on various circles strengthen studies. Last year, in coordination with the checking of turmoil and the quelling of the counterrevolutionary rebellion, we strengthened the ideological and political work, as well as the building of the spiritual civilization. [passage omitted]

Second, we have positively compiled historical accounts of past events and run LIAONING ZHENGXIE BAO [LIAONING CPPCC'S PAPER]. Over the past year, we have collected 340 articles on past events, with a total of 2.4 million words, and have published the "Liaoning's Industry and Commerce" and three other historical books. [passage omitted]

Third, we have enthusiastically offered proposals for promoting the building of the socialist spiritual civilization. Over the past year, we have conducted special investigations and inspections for strengthening the ideological and political work among institutions of higher learning and the moral education among primary and middle schools, for eliminating pornography and the "six vices;" and for straightening out the cultural market. We have also reported existing problems to departments concerned in a timely manner and offered opinions and suggestions for improving the work.

D. We have established contact with our compatriots residing in Taiwan, in Hong Kong and Macao, and abroad by various methods and through various channels and have encouraged them to facilitate the opening-up and the reunification of the motherland.

Since the second session of the sixth provincial CPPCC committee, in line with the guidelines of having our feet

firmly planted in the mainland, and turning our face to Taiwan, Hong Kong, Macao, and abroad, we have made great efforts to open up a new sphere for the overseas work, braving the pressure of the anti-Chinese waves set off by the reactionary forces at home and abroad. Last year, during the period of turmoil and the counterrevolutionary rebellion in Beijing, we kept in contact with the members of the provincial CPPCC committee who were living in Hong Kong, with some members of the national CPPCC Committee, and with some new and old friends. In the course of strengthening the contact with old friends, our province and the provincial fellowship party of compatriots in Taiwan, Hong Kong, Macao, and foreign countries have also made a lot of new friends, established many new channels to make friends, and conducted many friendship activities. Last year, we received 77 compatriots from Taiwan, Hong Kong, Macao, and foreign countries who came to the province to visit relatives and friends and to hold trade talks. [passage omitted]

E. We have strengthened the building of systems, thus making a new stride in regularizing and systematizing political consultation and democratic supervision.

Early last year, in accordance with the pertinent stipulations of the "PRC's Constitution" and the "CPPCC's Constitution" and with the demand set on the CPPCC by the 13th party congress, the National CPPCC Committee formulated the "provisional regulation of the National CPPCC Committee on political consultation and democratic supervision." And the CPC Central Committee issued the 1989 No. 13 circular for this regulation. To implement the guidelines of the circular of the CPC Central Committee, we have formulated the "Liaoning Provincial CPPCC Committee's provisional regulation on political consultation and democratic supervision." These two provisional regulations have strengthened political consultation and democratic supervision and have laid a solid foundation for gradually regularizing and systematizing political consultation and democratic supervision. [passage omitted]

F. We have strengthened contact with various city and county (district) CPPCC committees and strengthened guidance over their work, thus promoting the work of these committees.

Over the past year, we have strengthened the contact with various city and county (district) CPPCC committees and have strengthened guidance over the work of these committees. The various special committees have maintained close ties with various city and county (district) CPPCC committees by going to various cities and counties to conduct investigation and study, or to conduct investigations together with cities and counties, and by holding small-scale forums. [passage omitted] In addition, over the past year, we have conducted our work around the central tasks of the provincial party committee and the provincial government; have given play to the role of political consultation and democratic supervision, and have satisfactorily fulfilled the various

tasks raised by the second session of the sixth provincial CPPCC committee. Reviewing the work in the past year, some shortcomings and defects remained, although some progress was made. Major indicators were: The national CPPCC Committee's "provisional regulation" on political consultation and democratic supervision was not fully implemented; the investigation subjects of special committees were too scattered; the exploitation of the CPPCC's role as a whole was not fully geared to the province's key work; and the organizational and ideological construction of various organs needed further improvement. All of these problems should be solved in our future work.

## 2.

### Fellow deputies:

This is the first year of the 1990's, as well as a key year to improve the economic environment, rectify the economic order, and deepen reform. During this new year, we should profoundly study and implement the guidelines of the fourth and the fifth plenary sessions of the 13th party Central Committee; should foster the idea of placing stability before everything else; and should strive to facilitate the economic rectification drive and the in-depth reform. Studying, propagating, and implementing the "CPC Central Committee's opinions on persisting in and improving the system of multiparty cooperation and political consultation under the leadership of the CPC" is the central task of the CPPCC in the foreseeable future. First of all, we should conduct education on the system of multiparty cooperation and political consultation under the leadership of the CPC by studying the document in order to seek unity in thinking among CPPCC organizations at all levels in line with the guidelines of this document. At the same time, we should study and formulate specific measures for implementing this document in line with reality so as to constantly advance all work. Under the leadership of the Liaoning Provincial CPC Committee, we should unite and promote the CPPCC organizations at all levels, all CPPCC members, and the figures on all circles connected with CPPCC members to further exploit the CPPCC's important role in our country's political life, in line with the demand of the "provisional regulation" on political consultation and democratic supervision.

This year, we should pay attention to the following points of work:

A. We should give full play to the role of the CPPCC in upholding the four cardinal principles and maintaining political stability and unity.

Maintaining social stability is of extremely great significance in promoting the smooth progress of the economic rectification drive and in-depth reform and thus, is the most important task at the moment. We should carry forward the tradition of self-education and the study style of integrating theory with practice and should

organize and encourage CPPCC members and the personages in all fields to conscientiously study the guidelines of the fourth and the fifth plenary sessions of the 13th party Central Committee and the pertinent speeches of central leading comrades and to study the Marxist stand, viewpoints, and methods, as well as the current political events. By so doing, they can correctly understand the current domestic political and economic situation and the current international situation, they can be more confident in building socialism, they can be more conscious of safeguarding the stable and united overall situation, they can distinguish right from wrong, and they can be more steadfast in upholding the correct direction and stand amid the complicated struggle. [passage omitted]

B. We should support party committees and governments to implement the CPC Central Committee's decision on further improving the economic environment, rectifying the economic order, and deepening reform.

We should regard it the major content of our functions to support party committees and governments to implement the guidelines of the fifth plenary session of the 13th party Central Committee and to further improve the economic environment, rectify the economic order, and deepen reform. [passage omitted]

The province has designated this year as the year of scientific and technological progress. By fully exploiting the CPPCC's superiority of possessing more talent and knowledge, we should unite the vast number of scientific and technological workers, engineering and technical experts, and managerial personnel to offer their wisdom and energy for implementing the strategic principle of "invigorating Liaoning through science and technology" and to fulfill all tasks of the "year of scientific and technological progress." [passage omitted]

C. We should make contributions to upholding and improving the system of multiparty cooperation and political consultation under the leadership of the CPC.

The political party system of multiparty cooperations under the leadership of the CPC carried out by our country has been formed through a protracted practice. It is the special and strong point of our country's political system, as well as a creation which combines Marxism with China's revolution and construction. In the future, in various activities of the CPPCC, we should further carry forward the socialist democracy and actually safeguard and respect the rights of CPPCC members, members of democratic parties and members without party affiliation in particular. We should also pay attention to exploiting the role of those democratic party members and those patriotic figures without party affiliation who are holding leading posts at the CPPCC organizations, and should open up an unimpeded channel for them to participate in and discuss political affairs. [passage omitted]

D. We should further establish friendly contacts with the people residing abroad.



Strengthening friendship between the people at home and abroad is an important task of the CPPCC during the new period. This year, we should continue to implement the principles for the overseas united work known as "broadening the field of vision, making more friends, propagating policies, and winning the minds of the people." [passage omitted]

E. We should strengthen the contacts with city and county (district) CPPCC committees and the guidance over their work. [passage omitted]

F. We should strengthen the construction of CPPCC organizations.

CPPCC members are the main body of the CPPCC organizations. To keep abreast of new situations and tasks, all members should strengthen the political and professional study and conduct investigation and study in order to improve their ability to participate in and discuss political affairs. [passage omitted]

Under the guidance of the spirit of the fourth and the fifth plenary sessions of the 13th party Central Committee and under the leadership of the provincial party committee, let us adhere to the four cardinal principles, hold high the banners of socialism and patriotism, carry forward the CPPCC's fine tradition and work style, mobilize all positive factors, and unite all forces to struggle with one heart and one mind to consolidate and develop the patriotic united front, to invigorate Liaoning and promote the four modernizations, and to promote the peaceful reunification of the motherland!

#### **Panjin City Elects Party Leading Body**

SK0705020790 Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 28 Apr 90

[Text] The Panjin City CPC Committee has elected its new leading body. (Wang Xiangli) was appointed secretary of the city party committee and (Zhang Guangzhong) was appointed secretary of the Discipline Inspection Commission under the city party committee.

#### **Liaoning Plans to Widen Export Process**

HK0905022290 Beijing CHINA DAILY in English 9 May 90 p 1

[By staff reporter Li Hong]

[Text] Shenyang—Liaoning Province, a major heavy industry centre of China, is set to open its door wider to the outside world and accelerate its economic co-operation with foreign countries, a leading provincial official said yesterday.

This year, the provincial government hopes to boost its exports by 30 percent, mainly in machinery and electric products.

Last year, the province exported a record \$2 billion worth of manufactured products, a 12.5 percent increase over the previous year.

Also, Liaoning is to further improve its investment climate to attract more foreign investment in development projects in the province, said Governor Li Changchun in an interview with CHINA DAILY.

Liaoning Province in Northeast China, which borders Bohai Sea and the Yellow Sea with five port cities and an annual cargo handling capacity of 60 million tons, has been designated an open economic area since 1988.

Over the past two years the province has built up an "open economic framework" with Dalian City as the centre, flanked by Dandong at its east and Yingkou and Jinzhou at its west, according to the governor.

Local statistics show that the province has absorbed \$2.17 billion of foreign funds in 1988 and 1989.

Li said the province will open up the Liaodong Peninsula wider this year if only the following aspects are enforced:

First, Liaoning's previous export products structure will be readjusted in the light of developing new and high-quality machinery and electronic, heavy industrial and technologically intensive products.

"Also, taking advantage of Liaoning's former industrial base and importing advanced foreign technology, the peninsula is likely to attract giant enterprises each capable of earning \$10 million in foreign currency, a batch of townships capable of earning \$1 million each, and a batch of cities capable of making \$100 million each," the governor said.

This year Liaoning is prepared to make better use of foreign funds. Joint ventures in infrastructure including energy and communications and high-tech industries will be encouraged. Funds will also be used to update old enterprises.

"The three designated zones, including Dalian economic and technical development zone, Yingkou export processing zone and Shenyang Tiexi industrial renovation zone, will continue to be key areas," the governor said.

#### **Northwest Region**

#### **Gansu CPC Committee Holds Plenary Session**

HK0905052190 Lanzhou Gansu Provincial Service in Mandarin 2300 GMT 8 May 90

[Excerpt] The enlarged Fourth Plenary Session of the Seventh Gansu Provincial CPC Committee was convened in Lanzhou yesterday morning.

Yesterday morning's session was presided over by Jia Zhijie, deputy secretary of the Gansu Provincial CPC Committee and concurrently governor of Gansu Province.

Comrade Jia Zhijie delivered an opening speech at yesterday's session.

In his speech, Comrade Jia Zhijie said that the current session is mainly aimed at studying and discussing specific ways and means aimed at implementing to the letter the spirit of the Sixth Plenary Session of the 13th CPC Central Committee, discussing and approving the opinions of the Gansu Provincial CPC Committee on implementing the decision of the CPC Central Committee, analyzing the current political and economic situations of Gansu Province, and making work plans for the remaining months of this year.

At yesterday's session Li Ziqi, secretary of the Gansu Provincial CPC Committee, also delivered a speech wholly devoted the question of implementing the decision of the CPC Central Committee on forging closer ties between CPC and people.

In his speech, Comrade Li Ziqi said that since the Sixth Plenary Session of the 13th CPC Central Committee, the Gansu Provincial CPC Committee has formulated opinions on implementing the decision of the CPC Central Committee on the basis of a series of exhaustive investigations.

Comrade Li Ziqi's speech mainly dwelt on the following points: 1) To implement to the letter the spirit of the CPC decision in all types of work of Gansu Province, this being the basic guiding ideology for formulating the opinions of the Gansu Provincial CPC Committee on implementing the CPC decision; 2) To heighten people's understanding of the importance of forging closer ties between the CPC and the people with a view to implementing the decision to the letter; 3) To practically resolve all the problems that have adversely affected the relations between the CPC and the people and concentrate efforts on tackling the most serious problems in this regard; 4) To strengthen people's supervision and examination of the work of the CPC committees at all levels, this being an important guarantee for the effective implementation of the spirit of the decision. To establish and perfect report systems at all levels, expand avenues of democratic supervision, and strengthen supervision at corresponding levels and mutual supervision between leading organs; 5) All the leading cadres must personally take the lead in implementing the spirit of the decision. [passage omitted]

#### **Qinghai Acting Governor Delivers Work Report**

HK2704121390 Xining Qinghai Provincial Service  
in Mandarin 2230 GMT 25 Apr 90

[Text] In his government work report, Acting Governor Jin Jipeng said: Last year, progress was made in various social undertakings in our province. As the governments at all levels had acquired a better understanding of relying on science and technological progress in developing economy, a number of science and technological achievements, which could help yield better economic returns and which were urgently needed by provincial economic construction had been applied and popularized. In 1989, some 72 science and technological achievements of this province won the provincial and

departmental level science and technological progress awards, and 200 social science research items won provincial level awards. With the implementation of various policies on science and technological work, the technology market was expanding day by day and all kinds of science and technological services and science popularization activities were further developed to meet the needs of the masses. The work of [words indistinct] was basically completed in enterprises and institutions throughout the province and the pays and remunerations for science and technological personnel were further increased. Various educational undertakings continued to develop steadily. A system of the governments at the county, township, and town levels making overall planning for education was taking shape. The integrated development of agriculture, science, and education had started, and basic education and nationality education had both been developed. Over the past three years, a total of 474,000 square meters of classrooms in secondary and primary schools have been renovated or rebuilt. The educational environment has been improved.

Acting Governor Jin Jipeng pointed out: Although we achieved new progress in the past year, we are still faced with many difficulties and contradictions at present. Many long-standing problems, such as the imbalance of the industrial structure, the weak basis of agriculture and animal husbandry, and the difficult financial situation, have not yet been solved. Some new problems and sharp contradictions have also arisen in the course of economic improvement and rectification. For example, the market continues to be weak; economic returns continue to decrease; the contradictions between railway transport capacity and transport volume are becoming sharper; and the number of people awaiting jobs and the number of instability factors are increasing. Moreover, in government organs, the problems such as insufficient investigation and study, low work efficiency, and ineffective cooperation among various departments still seriously exist. Especially, the fact that a small number of cadres are taking advantage of their power to seek private gains and are involved in corruption and bribery has aroused great indignation among the masses.

#### **Shaanxi Governor Discusses Economic Prospects**

HK2704023690 Beijing CHINA DAILY in English  
27 Apr 90 p 1

[By staff reporters Chen Li and Ma Lie]

[Text] Xian—With a new airport in construction and improvements in other facilities underway, Shaanxi, China's inland province on the Silk Road, is "opening its doors to all directions," Bai Qingcai, the new governor, told CHINA DAILY yesterday.

Bai, 57, the former vice-governor in neighbouring Shanxi Province, was elected governor at yesterday's closing session of the provincial People's Congress here, replacing Hou Zongbin who resigned to take a new post in Henan Province.

The idea behind "opening to all directions," is to explore the markets in the Soviet Union, Eastern Europe and the Middle East while consolidating the province's position in the markets of Hong Kong and Macao, and Japan, Bai told the deputies of the People's Congress in his report, which was approved by the Congress yesterday.

The province is renowned for its Xian Colour TV Tube Factory, a joint venture with Hitachi in Japan, and its Xian Aircraft Factory, contracted to manufacture vertical tail fins for Boeing, local officials said.

Since the province has a considerable Muslim population, a contingent of Soviet-trained scientific and technical personnel and favourable location, local officials are confident about attracting Arab investment and promoting economic exchanges with Eastern Europe.

They say Xianyang airport under construction will help the province "open up to all directions." The 200 million yuan (\$42.5 million) all-weather international airport is linked to Xian proper by a 25-kilometre expressway. The new runway had its first test landing and take-off last December.

A railway linking China's northwest Xinjiang Uygur Autonomous Region with Alma-Ata in the Soviet Union this autumn will connect Lianyungang on China's east coast with Rotterdam in The Netherlands by a 7,000-kilometre trans-continental rail route. Local officials are calling this line the "New Silk Road." "This will drastically cut the freight charges and shorten the shipping time from Xian to Europe," they said.

"A highly developed transportation and communications network is pivotal to the province's economic and cultural exchanges with the outside and, in turn, to the prosperity of a commodity economy," the Governor said. "It is still a weak point in this area."

He cited the province's abundant historical heritage, its natural resources and an industrial base with a large force of qualified scientists and technicians as its three strong points.

Xian, the provincial capital, is known as the starting point of the Silk Road and the Capital of 11 ancient dynasties. It has numerous remains of imperial palaces, tombs and monasteries buried here, and many world famous relics have been unearthed over the past decade. They include the terracotta army of the first Qin Emperor and the finger of Sakyamuni with many rare treasures from the pagoda in the Buddhist Famen Monastery.

These relics attract tens of thousands of visitors every year from all over China and the World.

A series of activities to mark the 2,100th anniversary of the Silk Road is planned, including an exhibition scheduled next month in Singapore. A co-ordinating committee with representatives from Shaanxi, Gansu and Qinghai provinces and Ningxia Hui and Xinjiang Uygur autonomous regions has been established in Xian.

### Delivers Work Report

HK2704112790 Xian Shaanxi Provincial Service  
in Mandarin 2330 GMT 22 Apr 90

[Text] In his "Government Work Report," Bai Qingcai, acting governor of Shaanxi Province, pointed out that an overriding task at present is to maintain overall stability in Shaanxi. To this end, it is necessary to simultaneously promote the building of both the socialist material civilization and the socialist spiritual civilization. In order to strengthen the building of the socialist spiritual civilization and consolidate and develop the fine political situation of stability and unity, Shaanxi must implement the following four measures: 1) To greatly strengthen ideological and political work. The people's governments at all levels in Shaanxi must place ideological and political work high on their work agenda, adopt a variety of measure aimed at carrying out education on the CPC's basic line, adhering to the four cardinal principles, opposing the bourgeois liberalization, developing patriotism, collectivism, and socialism, on current international and domestic situations, the spirit of self-reliance and hard work, the "Yanan Spirit," the professional morality, and model and heroic citizens so as to further the activities of learning from Lei Feng, Jiao Yulu, and Lai Ning in breadth and depth, continue to carry out activities aimed at building civilized units and households and fostering a fine mental outlook among the people, advocate the spirit of selfless devotion, and mobilize all the positive factors in the society; 2) To strengthen the building of socialist democracy and the socialist legal system. The people's governments at all levels in Shaanxi must respect the people's right to participate in the state management, consciously accept the supervision of the people's congresses and the standing committees of the people's congresses at all levels, conscientiously study and implement the proposals put forward by the people's congress deputies at all levels and by the CPPCC committee members at all levels, listen to the criticisms, views, and proposals put forward by the people on the government work, and gradually establish and perfect a people reporting system.

The "PRC Administrative Procedural Law" will go into effect as of 1 October, 1990. This means that the government work will be subjected to supervision by the judicial organs at all levels. Therefore, the people's governments all levels must seize this good opportunity to promote the government legal system building with a view to gradually regularizing and legalizing the government management work. Continued efforts must be made to carry out education on socialist democracy and legal system, extensively publicize the "PRC Law of Assembly, Procession, and Demonstration," and strengthen the concept of legal system among all the citizens; 3) To develop and prosper the socialist cultural undertakings. To this end, it is all the more necessary to give full play to the important role played by culture, art, radio, television, publication, theory study departments in the building of the socialist spiritual civilization. All



cultural work must adhere to the principle of serving the people and aim at good social results; 4) To carry out comprehensive harnessing of social order. The political and legal departments at all levels in Shaanxi must practically and fully play their due roles in this regard, maintain sharp vigilance against the infiltration, subversion, and sabotage by both foreign and domestic antagonistic forces, concentrate efforts on cracking down such cases as larceny, robbery, and violence, and on eliminating the six vices, and mobilize the whole society to improve the overall social order in Shaanxi.

### **Progress Seen in Xinjiang's Foreign Trade**

HK0905035490 Beijing GUOJI SHANGBAO in Chinese  
19 Apr 90 p 2

[Dispatch by Liu Xihe (0491 1585 0735): "Xinjiang's Foreign Economic Relations and Trade Develop Steadily"]

[Text] In recent years, on the strength of its own superiority, Xinjiang has opened up to the outside world, developed its foreign economic relations and trade in all directions, and scored marked achievements.

Since 1980, Xinjiang's foreign trade and export have grown continuously. The whole region earned foreign exchange of \$17.1 million from exports in 1980, and the total amount of which reached \$360 million in 1989, recording an average annual increase of over 25 percent.

Xinjiang's trade with the Soviet Union and its border trade with Pakistan have also developed markedly. Last year, the total amount of the imports and exports between Xinjiang and the Soviet Union was \$120 million, and the amount of its exports was some \$68 million, an increase of 142 percent over 1988. The ratio between the amount of its exports to the Soviet Union and the total amount of its export increased from 7.3 percent in 1987 to 18.9 percent. Last year, the amount of Xinjiang's border trade with Pakistan was \$2.42 million, of which the amount of its exports was \$1.63 million, an increase of 17.2 percent over the preceding year. Xinjiang also made progress on its border with Mongolia at the beginning of last year. At present, the autonomous region has formed a pattern of foreign trade and export that suits its own characteristics.

Over the past 10 years, Xinjiang's economic cooperation with foreign countries has developed quickly. In 1980, the autonomous region had only one enterprise with foreign investment. By the end of 1989, the autonomous region had approved 54 projects with foreign, direct investment; the amount of foreign capital in the agreements was \$152 million, and the actual paid-up capital was \$82.31 million. The autonomous region also made substantial progress in its economic and technological cooperation with the Soviet Union last year. The region has invested in joint ventures in the Soviet Union and the total amount of services exported already exceeds some 20 million Swiss francs.

### Editorial Views Direct Taiwan Air Link

HK0205122490 Hong Kong WEN WEI PO in Chinese  
30 Apr 90 p 2

[Editorial: "Direct Flights Test the Sincerity of the Taiwan Authorities"]

[Text] Five civil aviation companies in Taiwan recently held talks with the Civil Aviation Administration of China [CAAC], to discuss the question of flights between the two sides of the strait, airport equipment, aviation control, maintenance, and personnel. The mainland side has adopted an active and progressive attitude and held that the "three exchanges" [exchange of mail, exchange of trade, and exchange of air and shipping services] are a consistent proposition of the mainland; and that to avoid the appearance of the situation of "two Chinas" and "one China, one Taiwan," it is best to handle an air line between the two sides of the strait as a domestic one. Although the mainland side hopes that its airplanes will eventually fly between the two sides of the strait, it is willing to allow Taiwan aviation companies to operate this air line first.

This is an important breakthrough for Taiwan people to explore the "three exchanges", as well as the manifestation of the mainland's sincerity to push forward reconciliation and exchanges between the two sides of the strait.

However, the Taiwan authorities still adhere to the "policy of three no's" (no contact, no talks, and no compromise) and hold that it is absolutely impossible to effect the exchange of air services between the two sides of the strait. CHUNG-YANG JIH-PAO of the Kuomintang [KMT] also published an editorial to support the "three no's" and stated that it is now "more necessary to consolidate mental defense to facilitate the progress in 'verbal struggle.'"

Taiwan has used such hostile consciousness as a foundation to formulate its policies toward the mainland, and it is naturally divorced from the actual situation and contradictory to the will of the people of Taiwan. Whatever the people consider necessary to do, the Taiwan authorities will resolutely not allow, and wherever the people's interests lie, the Taiwan authorities hold that the interests of Taiwan will be infringed. If this keeps on developing, the policies toward the mainland formulated by the Taiwan Government will be queried by the public more and more.

Taking air flights as an example, to facilitate its trip, the China Taipei delegation participating in the Asian Games has decided to fly direct to the mainland in the form of a chartered flight. Originally, this business could be done by a Taiwan civil aviation company but due to the fact that Taiwan authorities adhere to the "three no's," these flights can only be chartered by a foreign aviation company. Subsequently, although the "Ministry of Communications" of Taiwan agreed upon these chartered flights, it worked out some queer regulations,

demanding that this chartered plane land on a third region before entering the mainland. If the chartered plane only flies over the air space of the third region and then flies to the mainland, this will constitute a serious crime of violating the policy, and the "Ministry of Communications" will mete out severe punishment.

The attitude of the "Ministry of Communications" immediately evoked the refutation of Chang Feng-hsu, chairman of Taipei Olympic Games: "Chang Feng-hsu [Minister of Communications] is not a chief pilot, nor is Li Ching-hua a deputy pilot. They cannot use a gun to threaten the pilot, telling him how to fly." "After an aviation company is chosen, how to fly should be completely determined by the aviation company according to the regulations of Taiwan authorities, and by keeping contacts with the aviation control unit of the mainland, and has nothing to do with the Taipei Olympic Games Committee."

Taiwan authorities oppose direct flights so strongly because the motive behind it is to refuse to keep contacts with the aviation control unit of the mainland. All questions of civil aviation contacts, arrangements for aviation control, entry and exit management, and safety in flight should be technically solved by the administrative authorities. From this it can be seen that the "three no's" policy of the Taiwan authorities has become an obstacle to the direct flights between the two sides of the strait.

The people of Taiwan are looking forward to the direct flights and there are ample reasons for the abolition of the "three no's." Taiwan newspapers have enumerated the following reasons: 1) The people hope to reduce their travelling expenses and time. Indirect and circuitous flights makes it more inconvenient and troublesome. 2) The civil aviation business needs development and the mainland is a big market with potential. 3) Nationals have the freedom of travel in their own land and their desires should be respected in choosing which route to take. As the direct exchange of air services cannot now be effected, the policies of the exchange of trade, investments, and visits to relatives between the two sides of the strait have been hindered from implementation. The contradictory policies of the Taiwan authorities have already infringed upon the freedom and economic interests of the people, and reflected that the "three no's" lacks the foundation of the will of the people. 4) Taiwan authorities have repeatedly claimed that they have devoted their energy to the cause of reconciliation and reunification, and that they have no intention of implementing the policy of the "independence of Taiwan." As forerunners, the people have explored a road to the "three exchanges" and created the conditions for peaceful reunification. Direct flights are the first step toward reunification. Taiwan authorities have disregarded the will of the people and not permitted direct flights. This proves that the rulers have no sincerity in reunification.

How direct flights are treated will test whether or not the Taiwan rulers are as good as their word, whether or not they set store by the interests of the people, and whether or not they will do something beneficial to national reconciliation and state reunification. The Taiwan ruling group has many intelligent and wise people, and it is now time they changed their course.

### **Mainland, Taiwan Jurists Attend Discussion**

OW0305123490 Beijing XINHUA Domestic Service  
in Chinese 1436 GMT 24 Apr 90

[By reporter Yang Guojun (2799 0948 6874): "Harmony, Mutual Cognition, Understanding"—XINHUA headline]

[Text] Beijing, 24 Apr (XINHUA)—On the morning of 24 April, the Shaanxi Room inside the Great Hall of the People in Beijing was continually punctuated with laughter and applause. It was under such an atmosphere that Vice Minister Lu Jiang and Director of the Lawyers Department Li Bida of the Justice Ministry attended a 90-minute discussion session with over 30 chief justices and lawyers, law professors, and famous lawyers from Taiwan.

These celebrities from law circles are a segment of the some 100-member Taiwan delegation to the ongoing 14th World Law Congress. According to reports, all participants in the discussion are members of the Taipei Lawyers Association.

### **There Is No Deeper Trust Than That Between Siblings**

At 1000 [local time] no sooner had Lu Jian arrived at the Shaanxi Room, than he was given a thunderous ovation by the Taiwan compatriots attending the discussion. Extending, first of all, welcome to the compatriots from Taiwan, Lu Jian expressed the hope that they would enjoy as much sightseeing as possible in Beijing. He said: "As we are all descendants of Yan Di and Huang Di, you are welcomed to visit the mainland at any time. Lawyers can come, so can members of the Kuomintang Central Standing Committee and other people. Of course, since you have made the trip to the mainland, it is hoped that, someday, lawyers from the mainland will be able to visit Taiwan, too."

"As long as you are here, we do not ask whether you are a Kuomintang member. A compatriot is, after all, a compatriot," Lu Jian added.

Pointing to a badge on his coat collar, a veteran jurist, who went to Taiwan from the mainland more than four decades ago, said: I have used this Taiwan compatriot certificate to get into the Congress Hall because the badge issued by the Congress was blown away.

### **International Laws Are Not Applicable to Relations Between the Two Sides of the Strait**

Mainland and Taiwan celebrities from the law circles agreed that it would not be proper to apply international

laws in handling the relations between the two sides of the Strait, and they pledged to bring the people on the two sides closer through application of the laws.

On this, Lu Jian suggested that the system of one country with two systems, which the mainland will practice in Hong Kong, be used in Taiwan. He added: It has been reported that Taiwan recently adopted the "Regulation Governing the Relations Between the People on the Two Sides of the Strait." I believe that this is a step forward, because the Taiwan authorities have after all recognized the inseparable relations between the people of the two sides. However, Lu Jian said with a smile, the provisions of the regulations are unreasonable, because there are too many restrictions on mainland citizens. In fact, the citizens of the two sides are not treated equally.

Lu Jian suggested that jurists from the two sides sit down to formulate joint regulations, and that lawyers should play the role of a bridge between the jurists of the two sides.

In their speeches, a few celebrities from Taiwan said that, in order to bring the siblings closer, both Taiwan and the mainland should revise the laws and regulations which were formulated previously and are still in force. On this, Lu Jian said: "I totally agree."

### **Judicial Exchanges Between the Two Sides Will Be Further Increased**

With a keen interest in the mainland's judicial system, the celebrities from Taiwan's legal circles asked Lu Jian many questions in this regard.

In reply to a question about whether a defendant from Taiwan would be allowed to hire a lawyer from Taiwan, Lu Jian said: Since different legal systems are practiced by the two sides of the strait, it is difficult for lawyers from one side to be well versed in the legal system of the other. A lawyer from Taiwan who is not familiar with the laws of the mainland may be in a disadvantageous position when defending cases in the mainland. In recent years, the state legislative bodies have promulgated over 100 laws and statutes; the State Council has issued between 500 to 600 sets of rules and regulations; and the local governments have also formulated local rules and regulations. It requires a process for lawyers from Taiwan to become familiar with these laws, statutes, and rules and regulations. The same process applies to lawyers from the mainland. Therefore, it is suggested that mainland and Taiwan law offices commission each other in defending criminal cases and representing in civil lawsuits. In fact, such relations of commission have already been established between law offices of the mainland and Taiwan. In the future, the relations should be further developed.

Judicial documents issued by the mainland, such as notarized certificates of inheritance, school diplomas, and marriage licences, have been recognized in Taiwan, while notarized judicial certificates have been used by the mainland courts as the legal basis for a verdict.



At the request of the celebrities from Taiwan's legal circles, Lu Jian explained the system, work, and training of lawyers on the mainland.

Currently, there are 3,644 law offices employing over 40,000 full- and part-time lawyers on the mainland. They defend criminal cases, represent in civil law suits, and offer legal consultations to governments, enterprises, institutions, and citizens.

So far, some 1,300 governments at above the county level on the mainland have engaged lawyers as legal consultants to provide legal consultation for the governments to make policy decisions.

As for the reform of the system of lawyers, Lu Jian said: The cooperative system, which has been tried at some 70 law offices nationwide, should be the direction of the reform. Under the system, three or more lawyers willing to form a partnership may apply for the establishment of a law office without state subsidiary funds. Generally speaking, the income of lawyers is relatively high, or "even higher than the premier," according to Lu Jian.

Some chief lawyers from Taiwan expressed a keen interest in this system. They pledged to increase the cooperation in academic and information exchange and delivery of documents between the two sides. They also pledged to use laws to promote the exchange between people of the two sides of the Strait, rejuvenate the Chinese nation, and ultimately accomplish motherland reunification.

### Taiwan Businessmen Demand Direct Ties

OW0505121590 Beijing XINHUA Domestic Service  
in Chinese 2209 GMT 16 Apr 90

[Roundup by XINHUA reporter Niu Changzheng (3662 7022 1767): Various Circles in Taiwan Demand the Authorities Abandon the "Three No's"]

[Text] Beijing, 17 Apr (XINHUA)—Of late, various circles in Taiwan have demanded that authorities face up to the reality of the increasingly expanding contact between Taiwan and the mainland, comply with the wishes of the people, further lift restrictions with regard to the mainland, and open postal, trade, and navigational ties as soon as possible.

Business circles in Taiwan have strongly demanded that the authorities lift the ban on direct trade and investment in the mainland and start direct air services and navigational ties.

They contend that the rapid development of trade and economic relations between the two sides of the Strait reflects the needs of Taiwan's industrial development. Taiwan authorities' mainland policy is always "a step behind" and the "policy always trails behind reality." Business circles hold that, since investment by Taiwan's industrial circles in the mainland has become a reality, the Taiwan authorities should, instead of staying put,

realistically reevaluate their trade policy with the mainland. They should consider lifting bans on direct trade, investment, navigational ties across the two sides of the strait. Only by doing so can they reduce the unnecessary intermediate links in trade across the strait, reduce losses caused therefrom, bring greater benefits to Taiwan's business circles, and economic development.

An official of the Taiwan Feed Industry Association said: The authorities have always tried the excuse of "too risky" to prevent businesses from investing in the mainland. As a matter of fact, the businesses are willing to undertake the risk. What they want is a clearly defined policy and principle on investment in the mainland. Taiwan's textile industry has stated that Taiwan's business circles, which are in the process of transition and are transferring operations overseas, are eagerly awaiting a "clear, forward-looking mainland policy [no closing quotation mark as received]. Rather than turn a blind eye on investment in the mainland by Taiwan's businesses, Taiwan authorities should lift the restrictions and allow the businesses to make their business judgment without worrying about political troubles. An official of an automobile manufacturing company who wants to remain anonymous said: Businesses should be allowed to invest directly in the mainland. Nowadays, businesses are able to invest in the mainland through "overseas subsidiaries" or "ghost companies." However, because of the additional procedure, they have to pay heavy taxes in a third place. This costs the investors extra expenses and increases the risk and cost of investment.

In Taiwan's political circles, the "legislators" and "delegates to the National Assembly," who were elected in addition to the existing number of legislators and delegates, no matter whether they belong to the ruling party or opposition parties, have repeatedly pointed out that it is actually appropriate for Taiwan in its mainland policy at the present stage to step up contacts with the mainland by taking a more realistic attitude to try to get in touch and hold talks with the mainland.

"Legislator" Chao Shao-kang maintained that "[Taiwan] should consider taking the initiative to abandon the 'policy of three no's.'" Huang Chu-wen also held that "it is necessary to take a realistic approach to talk about liberalizing the mainland policy, the speed of liberalization, and so forth. For instance, instead of insisting on no contacts and no talks of the 'three no's,' we should conduct contacts and hold talks [with the mainland]." Hung Ying-hua, "delegate to the National Assembly," indicated that "The 'policy of three no's' should be canceled as quickly as possible in our promotion of contacts between the two sides of the Taiwan Strait. The move will be conducive to bringing about a situation more favorable for both sides to take the initiative, reaching a common understanding after mutually sincere contacts, and laying a solid foundation for reunification in the future."

A number of scholars who specialize in the study of the mainland issue in every university of Taiwan and who

visited the mainland in early February this year, maintained that the authorities should quicken the pace of opening the door to the mainland. They called for "further easing the restrictions on academic circle's visiting the mainland for observation and understanding, and lifting the ban on travel to Taiwan by people of the academic, cultural, and press circles from the mainland so as to conduct two-way contacts."

In respect of travel to the mainland for visiting relatives, the demand for further expanding the scope of government functionaries' family visits grows so strong that it has almost become an irresistible situation. Not long ago, the Kuomintang's "Mainland Work Guiding Group" announced that it "agrees in principle" to let "assemblymen" at all levels and the members of the Central Standing Committee, the Central Advisory Committee, and the Central Committee of the Kuomintang return to the mainland in the status of individuals. However, some government functionaries who can hardly suppress their yearning for homecoming were already on their way back. Recently, Hsu Ching-yuan, member of the Central Committee of the Kuomintang, did not hesitate to resign from his position as chairman of the Taiwan Motor Transportation Company and took the liberty of returning to Hunan at the end of March to visit his aunt and mother-in-law, who are advanced in age, under the circumstances of having still not been granted approval for his application. As a matter of fact, this yearning, which is common to all human beings, has remained hidden in the minds of tens of thousands of the Kuomintang personnel of the older generation on the island and it waxes stronger daily with the development of the situation.

Recently, public opinion expressed by almost every newspaper and other media reflected the people's call for the "three links" [navigation, postal services, and trade between the mainland and Taiwan Province]. Even opinion on public affairs calling for a quest for peaceful reunification also began to appear in the military's newspapers, which are usually known for their hard-line stand. Public opinion and media on the island pointed out, one after another, that the Taiwan authorities promised to convene a "conference on national affairs" in July to discuss the issues of political reform and Taiwan's future, and that these are two themes which cannot be separated. It is hoped that the authorities will show

sincerity in deciding on bold policies. At some discussion meetings on what should be deliberated upon by the "conference on national affairs," some scholars and experts also expressed their desire for peaceful reunification of the two sides of the Taiwan Strait.

### Trade, Investment Delegation Visits Zhejiang

OW0705225390 Beijing XINHUA in English  
1435 GMT 7 May 90

[Text] Hangzhou, May 7 (XINHUA)—A trade and investment delegation representing 63 Taiwan companies and enterprises is visiting Zhejiang Province.

During their three-day stay in the coastal province from May 6 to 8, the delegation has been divided into eight groups to learn about the local machine-building, hardware, electronics, food, textile and clothing, leather and shoe-making and plastics industries.

Officials from the provincial trade departments have briefed them on the open policy, investment environment and development of foreign economic relations and trade in recent years.

Members of the delegation, in turn, have briefed their hosts on Taiwan's economic situation and their investment plans.

On May 7 representatives from the provincial trade departments and Hangzhou, Ningbo and Wenzhou Cities informed the delegation about preferential treatment for Taiwan investors and specific conditions in the development zones in the three cities.

This evening Zhejiang Governor Shen Zulun met with Xiong Qifang, head of the Taiwan delegation, and then hosted a banquet for all the delegates.

Shen said that Zhejiang has many advantages for developing economic cooperation and trade with Taiwan and it welcomes more Taiwan businessmen to visit.

Xiong said that he himself and the other members of the delegation have long looked forward to the visit and investing in Zhejiang. Their visit has already made them confident about the economic development of Zhejiang Province, he added.

## Reportage Continues on 'Goddess of Democracy'

### Legislators Support Ship

OW1005031390 Taipei CNA in English  
0249 GMT 10 May 90

[Text] Taipei, May 10 (CNA)—A legislator said Wednesday that his plan to mobilize local fishing vessels to "keep vigilance" over the "Goddess of Democracy" radio ship remained unchanged.

Many fishermen have taken great pleasure in either "escorting" or "refueling" the democracy ship, said Wang Shih-hsiung, a legislator elected from among fishermen groups.

He revealed that five other legislators would board the ship to extend a heart-felt welcome when it makes a port call in Keelung Harbor, northern Taiwan.

The government of the Republic of China was, however, "very cautious" in handling this sensitive matter so as not to increase tensions between the two sides of the Taiwan Straits.

Li Chien-chuan, director of the Council of Agriculture's Fisheries Department, called on fishermen not to get involved in a "political incident."

Claiming that extending direct assistance to the broadcast ship might endanger the safety of the fishermen and their fishing vessels, Li urged the advocates to carefully study the matter before making any daring move.

The Chinese Communists have repeatedly threatened to stop the "Goddess of Democracy," even by force, from beaming democracy programs to the mainland.

The radio ship, a democracy program jointly sponsored by 19 press media, is now on its way to Taiwan and is scheduled to arrive in Keelung on Friday.

A Communications Ministry official said, however, that as of 5 PM Wednesday it had not yet received the application needed for the port call. According to the government regulations, the application must be made 24 hours before its entry into the port.

The official reaffirmed that as long as the "Goddess of Democracy" applies with the Keelung Port authorities in accordance with "general procedures," resupply of food, fuel, and drinking water would be available.

### Ship Said To Arrive 12 or 13 May

HK0905142890 Hong Kong AFP in English  
1340 GMT 9 May 90

[By Bruce Shu]

[Text] Taipei, May 9 (AFP)—The Goddess of Democracy radio ship steamed toward Taiwan on Wednesday and was expected to arrive on the weekend to a lukewarm reception from the Taipei government.

"The boat will probably arrive on Saturday [12 May] or Sunday," said Nicolas Druz, president of the Paris-based A Boat for China Association.

The group's office here received a signal from the Goddess of Democracy on Wednesday giving its radio communications frequency, but had not been in voice contact with it for six days, another official of the group said.

"We have asked vessels along its route to be on the lookout," he added.

The Taipei government indicated Wednesday that it will not fully support the Goddess of Democracy, named after the statue that was toppled on Beijing's Tiananmen Square along with last year's democracy movement.

The ship left Singapore last Thursday and was to take on supplies at the northern Taiwan port of Keelung before heading for international waters to broadcast dissident messages, news, and music to China.

"The government will respect the International Telecommunications Union (ITU) which says that ships cannot make unauthorized broadcasts in international waters," chief government spokesman Shaw Yu-ming told reporters.

But he added that Taiwan would allow the ship to enter the Keelung port.

The government on Wednesday also warned local fishermen not to carry out a plan to sail out to greet the Goddess of Democracy and surround it to protect it from possible attack by Chinese vessels.

"We hope fishermen and fishing boats do not get involved in political activities. We are most concerned about their safety," fisheries department director Lee Jen-chyuan said Wednesday in a report by the Broadcasting Corporation of China.

Beijing on Wednesday renewed a call on Taipei not to help the Goddess of Democracy, saying this would harm improving relations.

Any assistance would "go against the wishes of the people on both sides of the (Taiwan) Strait," Hong Kong's left-wing TA KUNG PAO said. The newspaper, one of China's mouthpieces in the British colony, called the ship the "Goddess of Plague" throughout its commentary.

Lawyers for the A Boat for China Association rejected Mr. Shaw's statement, also expressed by Beijing, that the ship's broadcasts from international waters would be illegal.

"The radio ship is not a commercial station," said Jean-Pierre Mignard, a lawyer who is also a senior member of France's ruling Socialist Party.

Mr. Mignard recalled that the ITU was based on "the noble principle that news should be freely transmitted"



and calls on its members to "facilitate the unrestricted transmission of news by telecommunication services."

He also said that the United States, Britain and other signatories of the 1958 Le Haye convention would be obliged to assist the Goddess of Democracy if it was seized in an "act of piracy" by China.

Mr. Druz said that his group was ready to launch a recording cut by top international singing stars to support the Goddess of Democracy's goal of raising 1.5 million dollars to pay for one to two months of broadcasts.

He said Ray Charles and Liza Minnelli had offered to sing in the recording based on the Beatles' "Imagine," which already has the participation of Midnight Oil, Dee Dee Bridgewater, Kaoma, and Salif Keita.

Mr. Druz denied reports that the A Boat for China Association was sponsored by Chinese dissidents, although one of its top officials, Xu Tianfang, is also spokesman for the exiled dissidents' group Federation for Democracy in China (FDC).

The group is made up of 19 news organizations, led by the French magazine ACTUEL and Taiwan's top newspaper groups, the UNITED DAILY NEWS and the CHINA TIMES.

"After the Chinese authorities perverted the news reports we did last spring to brainwash the Chinese people and persecute them as criminals, we have a professional responsibility to get true information to China," said Mr. Druz, director of the Paris-based Chinese-language newspaper EUROPE JOURNAL.

He said his group would broadcast recordings made by noted dissident leaders including Yan Jiaqi, Chai Ling and Wuer Kaixi and messages from Eastern European and African leaders including Czechoslovak President Václav Havel.

It was not known if Mr. Yan, who is the FDC's president and is on a visit here, would board the Goddess of Democracy when it arrives.

The Goddess of Democracy, a converted British exploration ship, sailed from the French port of La Rochelle on March 17 under a French crew.

China has issued stern warnings against any countries helping the ship, which it says intends to create disturbances on the mainland and wants to overthrow the Chinese Government.

### Organizers Fail To Contact Ship

HK0905135190 Hong Kong Asia Television Limited  
in English 1230 GMT 9 May 90

[From "Main Evening News" program—Sarah Leung video report over file footage of "Goddess of Democracy" ship]

[Text] Organizers of the Goddess of Democracy radio ship have voiced great concern about the safety of the vessel after the crew repeatedly failed to respond to radio messages. Sarah Leung reports:

[Begin recording] Colleagues waiting for news of the ship in Taiwan are becoming increasingly anxious. All attempts to contact the ship since it left Singapore last Wednesday have ended in failure. A spokesman for the organizers says the lack of communication could mean one of two things—either the ship is maintaining radio silence to escape detection or it is in trouble. The biggest fear is that the Goddess of Democracy is being tracked by Chinese vessels. Attempts to locate the ship on satellite pictures has so far come to no avail. Meanwhile, preparations are going ahead for the ship's arrival in Taiwan in two days' time. The organizers have yet to apply for permission to dock. They say the Taiwanese Information Ministry has assured them the ship will be allowed to resupply, but the ministry ruled out any possibility of the crew broadcasting from Taiwanese waters.

China has again warned the Taiwanese authorities to stay clear of the pro-democracy ship. Referring to the vessel as the Goddess of Plague, China has said any assistance to the ship would be to the detriment of people on both sides of the Taiwan Strait. [end recording]

### President To Announce Reform Plans in Speech

OW0805191090 Taipei CNA in English  
1552 GMT 8 May 90

[Text] Taipei, May 8 (CNA)—President Li Teng-hui said today he would announce the direction and timetable for the Republic of China's [ROC] political reforms in his inaugural speech on May 20.

Li made his remarks during his meeting with tight [as received] opposition and non-partisan leaders, who are also members of the preparatory committee for a national affairs conference to help solve the country's political problems.

He told his guests that there [words indistinct] no preset positions for the conference scheduled to be held from late June to early July with about 120 participants.

President Li added that he personally had great expectations for the meeting and hoped that concrete conclusions could be developed during the conference that could guide future constitutional reforms.

The president, concurrently chairman of the ruling Kuomintang, also urged the leaders of the opposition Democratic Progressive Party (DPP) and the independents to contribute their utmost to the country.

### **James Soong Remains KMT Secretary General**

OW0805191390 Taipei CNA in English  
1511 GMT 8 May 90

[Text] Taipei, May 8 (CNA)—Kuomintang [KMT] Chairman Li Teng-hui, after discussions with ranking KMT officials, decided that James Soong would remain secretary general of the party's Central Committee.

Li hoped Soong would stay to continue implementing the party's reform program, a KMT source said.

The decision was made after Li met with Li Yuan-zu, secretary general of the presidential office; Tsiang Yien-si, senior advisor to the president; and Defense Minister Hau Pei-tsun. Soong was present too.

Their discussion focused on the upcoming cabinet reshuffle, the source said.

The current cabinet will resign on May 10 and Hau is expected to be formally nominated by President Li Teng-hui as the next premier on May 20, the day Li will be inaugurated to another six-year term.

### **Minister Views Military Budget at Yuan**

OW0405232890 Taipei International Service  
in English 0200 GMT 27 Apr 90

[Text] Defense Minister Hao Pei-tsun on Thursday, at the Legislative Yuan's Defense Committee for the first time ever, made public a portion of the nation's military budget which is not considered highly classified information. Hao also said that next year its ministry's budget will likely be divided into one portion that could be made public and the other portion that can not be.

Debates over the issue have been going on over the past week between legislators and the Defense Ministry. Despite saying that it is difficult to divide the budget in such area, however, Hau on Thursday reported to the Yuan's committee the ministry's budget for personnel in the administration and National Defense industry's development. Opposition legislators continued to stress that they want Hao to be more specific on certain areas of the budget to make the review process more democratic. However, Hau said that his ministry will wait till next before formerly divide the budget into area which can be made public and areas which can't.

### **Government Spokesman Discusses Mainland Policy**

OW0805232590 Taipei International Service  
in English 0200 GMT 8 May 90

[Text] Director General of the Government Information Office Shao Yu-ming stated on Monday [7 May] that the nation's current mainland policy first stresses cultural exchanges with the mainland. After that, the ROC [Republic of China] looks at economic aid to help compatriots there, and in the last step, political questions are considered.

Shao said that politically, the ROC will continue to maintain its three no's policy toward the communist-controlled mainland; that is, no contact, no compromise, and no negotiation. Therefore, under the current mainland policy, politics is something that, for the time being, will have to be put aside. However, in terms of economics, Shao said that steps can be taken, yet they must be careful, since economic prosperity in a closed society like the mainland has limited effect in promoting democracy. Shao stressed, though, that in terms of cultural exchanges and broadcasts, there is little negative feedback from these, and thus they are being encouraged.

### **Interior Ministry To Protect Patent Rights**

OW0805040290 Taipei CNA in English  
0241 GMT 8 May 90

[Text] Taipei, May 8 (CNA)—The Copyright Commission of the Interior Ministry of the Republic of China [ROC] has drafted new provisions of the Copyright Law to enhance protection of copyright for computer software, audiotape recordings, and videotape recordings.

An official of the commission said Monday that the new provisions, soon to be submitted to the Executive Yuan for approval, will prohibit the sale and rental of illegal computer software and audiotape and videotape recording products. Violators may be fined up to 90,000 new Taiwan dollars (3,400 U.S. dollars) for each offense.

The new provisions are in keeping with the results of recent trade consultations between Washington and Taipei, the official said.

He said, however that, in the next round of consultations scheduled to be held later this month in San Francisco, ROC negotiators would not be in a position to promise to amend Item 3, Article 28, of the Copyright Law, which stipulates that owners may lend, lease, and sell their legally acquired duplicates of copyrighted products.

### **Trade With Soviet Union Hits Record High**

OW0805191990 Taipei CNA in English  
1557 GMT 8 May 90

[Text] Taipei, May 8 (CNA)—Exports from the Republic of China [ROC] to the Soviet Union in the first two months of 1990 shot to a record high after the ROC Government lifted its ban on direct trade with the Soviet Union, the Board of Foreign Trade said Tuesday.

According to the latest statistics on bilateral trade between the ROC and East Europe [as received], the ROC exported \$6.7 million worth of goods to the Soviet Union in the first two months of 1990, up from 1989's \$200,000.

During the same period, the ROC exported \$29.7 million worth of goods to the nine Eastern European countries, an increase of 158 percent over last year, an [words indistinct] is a potential market.

The ROC imported goods worth \$44.1 million from East Europe up [figure indistinct] from a year ago.

### **Albania Hopes To Increase Trade Ties**

*OW0805185290 Taipei CNA in English  
1602 GMT 8 May 90*

[Text] Taipei, May 8 (CNA)—Albania is hoping to increase trade ties with the Republic of China [ROC] on Taiwan, a Board of Foreign Trade (BOFT) official said Tuesday.

The south European country, via its embassy in Turkey, recently voiced its hope of doing more business with the Republic of China, a country with which it does not maintain diplomatic relations, the BOFT official said.

Albania, the official said, planned to sell brandy, petrochemical products, construction materials, and mineral water to Taiwan in exchange for ROC machinery.

Albania sold \$1.8 million worth of products to Taiwan in the first two months of 1990 but it has not purchased a penny worth of Taiwan products during the same period.

In 1989, trade between the two countries totaled [figure indistinct] million U.S. dollars, with no exports by the Republic of China.

### **Mainland Drug Smuggling Ring Broken**

*OW0905035290 Taipei CNA in English  
0232 GMT 9 May 90*

[Text] Kaohsiung, southern Taiwan, May 9 (CNA)—The Republic of China Bureau of Investigation (BOI) Tuesday broke a four-men drug smuggling ring and seized 4.7 kilograms of mainland Chinese heroin with an estimated street value of 100 million new Taiwan dollars (about 3.8 million U.S. dollars).

The BOI office in Kaohsiung arrested the four after they had smuggled 14 packages of heroin into Taiwan via the offshore island of Penghu at the end of nearly six months of investigation.

The investigators received reports half a year ago that the head of the drug ring, Hung Shun-tsai, had planned to smuggle drugs in from the China mainland for sale on local markets. Since then, they had carefully monitored the activities of the group.

Earlier this month, Hung left for Penghu and then disappeared mysteriously. The investigators guessed that he might have slipped into the mainland to buy the drugs and began preparations to close their net. The guess proved to be correct, thus allowing the investigators to break one of the biggest drug smuggling cases in recent years.

### **PRC Agency To Guide Contacts With Taiwan**

*OW0905024790 Taipei Domestic Service in Mandarin  
2300 GMT 26 Apr 90*

[Text] According to Hong Kong's CHINA NEWS SERVICE, Communist China will formally establish a private economic and trade consultation service organization in Hong Kong on 3 May to provide guidance to Taiwan compatriots on various activities with the mainland, including investment, trade, and scientific and technological exchanges. By establishing such a private organization in Hong Kong at this time, Communist China obviously is setting the stage for the two sides of the Taiwan Strait to exchange nongovernmental intermediary agencies in the future.

### **Commentary Discusses Environmental Movement**

*OW0805192590 Taipei CNA in English  
1418 GMT 8 May 90*

[Commentary by the Voice of Free China (Broadcasting Corporation of China): "Environmentalism Picks Up Steam"—"it does not reflect the opinion of CNA"]

[Text] Taipei, May 8 (CNA)—One of the first questions usually asked by foreign visitors to Taiwan is: "Is there an environmental movement here?" The question is evoked by the visitor's firsthand glimpse of the capital city, Taipei, which is choked with bad air, traffic congestion, noise pollution, and smelly rivers.

The answer to the question is yes. Although belated by perhaps twenty years, a genuine and increasingly active environmental movement is changing the way Chinese on Taiwan view their surroundings.

Over the past four decades, a hell-bent rush for economic development gave a back seat to the environment. The economy rolled along at world leading pace, but with little regard for the environment. Experts say the past neglect has left Taiwan on the edge of the abyss of ecological ruin. The foreign visitor first sees that condition in Taipei's rivers, which look to be ten percent water and ninety percent something else. On certain days, when the wind fails to blow in, the air in Taiwan's major cities leaves a lot to be desired as well. Cars jam pack the streets, but emission controls will not kick into use until 1991.

Although the prior neglect is evident, so is the increasing prevalence and strength of the environmental movement that seeks to redress the harm, and prevent further harm to the environment.

Several major cases point to the power of environmentalism today on Taiwan. First among these is the delay in government's efforts to finish a third nuclear power plant and build a fourth one. Citizens groups have held up construction through public protests. Most of the protestors are from the area around where the plant is to be located. Others belong to environmental groups that



have formed as registered lobbyists. The latter are sometimes affiliated with counterparts in the West, such as Greenpeace.

A second example of the burgeoning environmentalism is the delay on construction of a fifth naphtha cracker plant. These plants are vital to Taiwan's growing petrochemical industry, which provides raw materials for plastics. Industrialists complain that they cannot do without another cracker; the environmentalists argue that Taiwan cannot take another one, the island is already saturated enough with such plants.

In response to the delay and continued public protests down in Kaohsiung, where the plant is slated for, the head of Formosa Plastics, a Fortune Five Hundred World Company, has threatened to build the plant on the Chinese mainland. This has shocked economists who

feel that basic industries feeding Taiwan's economy should not be located on the communist-occupied mainland. They could eventually be used to hold Taiwan's economy hostage.

Eventually, a trade-off between such economic concerns and the environmental movement will have to be struck. In this day and age, building a factory is not the threat it used to be to the environment. With extra expenditure, a factory can be made environmentally sound. Government regulations require it nowadays.

Over the next ten years, the government has also budgeted billions of U.S. dollars toward cleaning up the environment and preventing new damage. With that kind of commitment, it won't be long before foreign visitors see for themselves that environmentalism is alive and well on Taiwan.

## Hong Kong

### Relaxation on Overseas Chinese Labor Urged

HK0905021690 Hong Kong HONGKONG STANDARD  
in English 9 May 90 p 1

[By Leung Sze-man]

[Text] The Hong Kong Government's refusal to relax immigration policies has barred overseas-graduated Chinese working in the territory, a senior XINHUA official said yesterday.

It is understood top Chinese officials, including Premier Li Peng and senior mainland official in charge of Hong Kong affairs Ji Pengfei, have urged the Hong Kong Government to allow the graduates to work here.

A senior local XINHUA official, Weng Xinqiao, said it would take time to make the government understand such a step would be advantageous to the territory which faces a brain drain problem.

At present, mainland graduates are only allowed to apply to work in Chinese or joint-venture companies, Mr Wung said.

There was no provision for Chinese workers to enter Hong Kong for employment under existing immigration policies, an Immigration Department spokesman said.

But the rule does not apply to those who hold diplomatic or semidiplomatic passports.

The government spokesman said no changes to the policies were planned.

During a recent visit by the Hong Kong Institute of Engineers to China, delegates urged Chinese officials to help alleviate the brain drain problem by allowing some skilled and experienced personnel to work here.

Mr Ji, who received the delegates, responded by saying the Chinese government was willing to help out by encouraging overseas-educated mainlanders to work in the territory.

He said Chinese officials were prepared to talk to Hong Kong officials about the scheme.

The move comes as government figures released on Monday showed there would be a shortfall of 9,400 people with degree qualifications in 1996.

Chinese officials maintained that the implementation of the scheme of allowing mainland graduates to work here hinged on the stance of the Hong Kong Government.

Mr Weng said administrators from various educational institutes, including the two universities, had approached XINHUA for an early implementation of the idea.

"We reiterated that we are in full support of the scheme. The problem lies with the Hong Kong Government, not us," he said.

"But we will continue to encourage the Hong Kong Government to accept the idea."

He said a lot of discussion on the issue had been going on in the past few months.

The Chinese Government was prepared to allow as many overseas-graduated Mainland Chinese to work here as were required by the territory, Mr Weng said.

At present, there were tens of thousands of Mainland Chinese studying overseas.

The American Chamber of Commerce has explored the possibility of urging overseas-graduated Chinese to return to Hong Kong.

### Territory To Retain Separate Identity for Sports

HK0905025390 Hong Kong HONGKONG STANDARD  
in English 9 May 90 p 1

[By T.M.K. Samat in Beijing]

[Text] Hong Kong sport can continue to function independently after 1997, provided the territory competes under the name Chinese Hong Kong, Wei Jizhong, the secretary-general of the Chinese Olympic Committee, said yesterday.

"There will be no kind of subordination," the powerful Chinese sports official said. "Rather we will work with a spirit of co-operation, provided Hong Kong competes as Chinese Hong Kong."

Mr Wei said the mainland sports authorities and the territory's Amateur Sports Federation and Olympic Committee had already discussed how they could best cooperate after 1997.

"There will be no interference. We will respect Hong Kong sport's independence," he said.

Hong Kong will remain an independent member of the International Olympic Committee [IOC] and other international bodies, Mr Wei said.

Last September, Antonio Samaranch, the president of the IOC, said it was Hong Kong's decision whether it remained a member. He saw no reason why it should lose its pre-1997 independent status after it ceased to be a British colony.

The Chinese comments mean the territory is virtually assured of running its own sporting affairs after 1997.

China would help foster a better sporting relationship by "opening doors" for Hong Kong athletes to participate in "our national championships", he said. He cited Hong Kong's regular participation in the China Road Race.

Mr Wei's comments were supported by Du Haoran, vice-president of the Chinese Olympic Committee, who said: "Hong Kong's sporting independence is provided for in our one country, two systems policy."

He said China would be willing to help develop Hong Kong sport after 1997 if asked to do so.

## **Macao**

### **Basic Law Drafting Groups Meet in Hangzhou**

#### **Residents' Basic Rights Discussed**

OW0605031390 Beijing XINHUA in English  
1359 GMT 4 May 90

[Text] Hangzhou, May 4 (XINHUA)—Two groups on special subjects of the Basic Law Drafting Committee for the Macao Special Administrative Region held their third meeting here today.

At the meeting, the two groups, respectively on the relations between the Macao Special Administrative Region and the central authorities, and the basic rights and obligations of the residents, discussed their reports to the fourth session of the Macao Basic Law Drafting Committee to be held in Beijing in the coming June.

During the meeting, the group on the basic rights and obligations of the residents focused on the drafting of the principles, structure and contents of the basic law's chapter on residents' basic rights and obligations.

And the group on relations between the Macao Special Administrative Region and the central authorities mainly discussed issues concerning the stationing of troops, language and national laws to apply in the region.

#### **Articles on Residency Formulated**

OW0505151290 Beijing XINHUA in English  
1342 GMT 5 May 90

[Text] Hangzhou, May 5 (XINHUA)—Articles concerning the definition of Macao residents in the Basic Law for the Macao Special Administrative Region will be drawn up in line with relevant stipulations in the Sino-Portuguese Joint Declaration, a Basic Law drafter said here today.

There are clear stipulations on the qualification of permanent Macao residents in the appendix of the Sino-Portuguese Joint Declaration, said Wang Shuwen, leader

of the Group on the Basic Rights and Obligations of the Residents, of the Macao Basic Law Drafting Committee.

Wang's group and four other special groups of the drafting committee are holding their third meeting in this city.

Currently, Wang said, views are divided over the definition of Macao residents. Some propose to define permanent residents as those who have lived in Macao for seven full years, and other say that those, including their children, who hold ID documents issued by the Macao Government should be considered the region's permanent residents.

As for the issue of nationality, stipulations in China's nationality law will apply, and the Basic Law will not make separate stipulations, Wang said.

Wang's group and the group on the relations between the Macao Special Administrative Region and the central authorities concluded their meeting today.

#### **Group Discussions Held**

OW0705181690 Beijing XINHUA in English  
1357 GMT 7 May 90

[Text] Hangzhou, May 7 (XINHUA)—The cultural and social affairs group and the political structure group under the Basic Law Drafting Committee of the Macao Special Administrative Region opened their third meetings here today.

Qian Weichang, vice chairman of the National Committee of the Chinese People's Political Consultative Conference, participated in the cultural and social affairs meeting.

The two groups will continue to discuss specific issues to be covered in their respective work reports. The meetings will close tomorrow.

#### **Future Political Structure Discussed**

OW0805222990 Beijing XINHUA in English  
1510 GMT 8 May 90

[Text] Hangzhou, May 8 (XINHUA)—The political structure group under the Basic Law Drafting Committee of the Macao Special Administrative Region achieved consensus on a number of issues after two days of discussion.

The issues cover, among other things, the relations between administration and legislation, legislative power, jurisdiction, and civil servants.

The group discussion ended today.



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